THE FINANCIAL POST
OF CANADA

A weekly newspaper aiming to present to the public in a popular manner, accurate information relating to the financial interests and the legitimate investments of Canada.

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THE SECURITY REVIEW

A PERIOD OF INACTIVITY IS LIKELY

In the Stock Market — The Western Coal Strike Disturbing — The Monetary Situation — No Sign of Commercial Decline — Notes on Leading Securities.

A favorable feature of the security market during the past week has been its quietude, inactivity, and yet steadiness. In Canada the strike in the western collieries looms up as a disturbing factor. There is every prospect of an adjustment, and hourly advice is expected of a mandate from the presiding officer of the United Mine Workers of America informing the miners that they should return to their work pending further adjustment. In the troubles of the northwest of Canada this strike has been the last straw in the breaking of the camel's back. "All that is now left to complete the situation," said a western financier to The Post, "is a good, old-fashioned flood." If the strike is persisted in, the condition of discomfort would become serious in the western provinces. There is already a scarcity of wood, and if a coal famine in earnest succeeded upon the general fuel shortage of the winter there would be a most unfortunate climax. The railways can manage to scrape along for a time, but the tremendous demands already existing upon them for all the motive power possible and the incoming rush of immigration would make for a very disordered situation.

The monetary situation would become more difficult. The scarcity of money throughout Canada is already acute. Collections have never been slower. An urgent necessitous need exists for the wheat to be carried forward forthwith. The late spring defers the opening of navigation. There is no prospect of any easing of the monetary difficulty.

In the face of these conditions the money available for the stock market becomes the more remote. There is every prospect that Canadian stocks must continue in the same waiting condition for some time. The absence of speculation has been a great safeguard. Otherwise the prices of Canadian stocks would have witnessed a severe shrinkage.

Apart from the difficulties in the northwest, the commercial movements in the Dominion continue to advance. The avenue of compensation lies in the continuous tide of immigration which is now seeking these shores. There is a local set-back in its distribution along the lines of the Canadian Northern, which has this winter endured exceptional calamity.

In the United States, an inquiry conducted by several financial newspapers at various centres fails to reveal any sign of business reaction. There are fugitive items widely quoted bearing on individual branches of trade indicating a localized or specialized falling off in orders. The general survey offers quite opposite evidence.

The crop condition becomes the crux of the general situation. So far, the prospect cannot be termed favorable in any direction. A fuller discussion of this subject will, however, be found in another column.

Speaking of the conditions in Canada, Jaffray & Cassels say in their weekletter:

"The inflow of foreign funds has not as yet relieved the local money market, funds for call loans being practically unobtainable. Bankers are still under pressure to meet the demands for commercial discounts. Drafts against expected grain exports are being sold. And it is not improbable that the next statement of the Canadian banks will show increased indebtedness abroad. The opening of navigation, bringing exports of grain, may, therefore, not furnish such extensive relief to the money market as some may have been expecting. But the expectation would seem justified that some relief will follow grain exports, and the inflow of new capital, of which the investment in securities noted above is but one sign.

"The situation in western coal fields and the congestion of traffic on the Canadian Northern Railway, while excessively inconvenient, may reasonably be expected to be only temporary."

C. P. R.

The coal strike, if persisted in, will have an effect on the road's operations. The company has coal reserves at Fort William, and Pennsylvania coal can be rushed from Lake Erie ports to Fort William; but with the congestion of traffic the Mountain section will suffer for locomotive fuel. The stock continues firm, and attention is directed to another column to show what the British investment buying means. The increase in gross for the third week of April was highly satisfactory.

Richelieu & Ontario.

It is stated on good authority that the passenger agents have booked an unusual number of conventions and tourist parties from July 1st and an excep- going to be on the long or short side Old Sol, however, frequently operates in navigation stocks, and whether he is going to be on the long or short side makes a considerable difference.

Canadian General Electric.

The general manager, Mr. Frederic Nicholls, sailed from New York on Friday for England. The stock has strengthened during the week as a result of its gradual transfer to Great Britain from the local market. Since the first of the year approximately 6,000 shares have been sent to England.

Jaffray & Cassels, in their weekly market letter say:

"English distrust toward American securities is increasing inquiry from London for Canadian issues. Considerable amounts of Canadian General Electric, Sao Paulo, and other issues, are being taken out of this market. The annual report of the General Electric Co. has, as expected, created a favorable sentiment in London, and the price of the stock there has been quietly rising, the movement indicating that the market for this issue will steadily improve. This flow of British funds towards Canada is but a corollary of the flow of immigration, and is one of the most encouraging signs to those who believe that Canada is likely to escape the more severe effects of any trade reaction which might come to the United States or other countries."

Dominion Coal.

Mr. F. L. Wanklyn, vice-president of the Dominion Coal Company, who returned from spending some time at the mines on Thursday, is quoted as saying that the output of the mines was showing a big increase and from now on a number of the mines would likely break their previous records. A few days ago the Reserve mine made a record of 450 tons in one day, and this high average would likely be maintained.

A complete examination of the Hub colliery showed that it is not wrecked by the recent fire, but only scorched, and that there was every indication that it would be in operation again in July.

The company, he said, had made all arrangements to rush shipments, and they would show a big increase over last year.

Mexicans Remain Firm.

Mexican stocks have remained firm, unlike the territory which is the scene of the Mexican companies' operations. Coincident with the news of the earthquake in Monday's papers was a telegram from the resident counsel, Mr. C. H. Cahan, to the effect that the company's plant was uninjured and damage to transmission lines and wires was slight.

There has always been a fear that Canada's Latin-American public utilities were in the earthquake zone and when Kingston, Jamaica, followed San Francisco to destruction, the belief deepened. It has apparently received further confirmation in the Mexican quake. The secretary-treasurer, Mr. A. R. Doble, of Montreal, says that the earthquake question in all its phases was fully considered before the company decided to invest a dollar in Mexico. The Government records of seismic disturbances covering a long period had been examined. While Mexico City is in the zone where earthquakes are more or less frequent, it is built, says Mr. Doble, on the bed of an old lake, and no serious destruction results from the shocks. The towers of the great cathedral of Mexico have stood intact for two centuries. A later dispatch to the newspapers says that the cathedral towers have been badly damaged. Necaxa, where the company's generating station is situated, is outside the seismic zone.

Rio de Janeiro.

The statement that appeared in the daily papers about opposition to Rio de Janeiro was characterized by The Post last week correctly as having little foundation. The general counsel of the company, Mr. Z. A. Lash, has issued the following detailed denial:

"The report that Gaffre and Guinle had obtained a concession for lighting and power in the City of Rio de Janeiro is absolutely false, and has been taken from the Paris newspapers which published the same several weeks ago. This report was officially denied in London and Paris after receiving a cable from the vice-president and general manager of the company in Rio de Janeiro.

"This cable stated that the report was an impudent falsehood. That Gaffre and Guinle have not obtained any concession in the Federal district. That the Government has recently conceded them the right to import, duty free, certain articles in the terms of the general law affecting hydraulic power enterprises. Probably the report is founded on this. The Minister of Industries, Traffics and Public Works in Rio de Janeiro, on being applied to, confirmed the above statement. Gaffre has been granted a franchise by the State of Rio de Janeiro for some water-power development, but this franchise does not apply to the Federal district and has no connection with the city of Rio de Janeiro any more than a New York State franchise for Buffalo would apply to New York City.

"The Rio de Janeiro Tramway, Light and Power Company has the absolute monopoly for lighting, which was confirmed by the Supreme Court a year ago. It also has the monopoly for the transmission and distribution in the city of Rio of electric power generated by water power until 1915. This has never been questioned. The false report evidently originated from the fact that the State and city have the same name.

GREAT WATER POWERS

UNITED IN THE FAMOUS MONTREAL SYSTEM.

A Pioneer in Long Distance Transmission — Chambly, Lachine and Shawinigan Contribute — Soulanges will Furnish a Fourth Power — Other Water Powers Under Control.

Montreal, April 18.—This company, in addition to being a pioneer in respect of a portion of its undertaking, occupies a distinctive position in many ways. Its water power works for the generation of electricity at Chambly, on the Richelieu river, eighteen miles from Montreal, were the first of the kind in Canada, and about contemporaneous with similar original undertakings in California and Colorado of the United States, for the long distance transmission of electricity.

Perhaps it was fitting that the historical Richelieu, with its intimate relationship to the development of Lower Canada and of New York State, should have enjoyed this distinction.

An absolutely unique feature of the company's operations lies in the fact that already three great water powers, many miles apart, have been harnessed and joined together, and are supplying electric energy to a common distributing station, and within a few months a fourth power will have begun to contribute its quota of electricity to this combination. In this way Montreal has become the largest distributing centre of transmitted electric power in the world.

It was not all plain sailing with the initiation of this great water power works, and many will recall the serious problems surmounted one by one, and especially those that arose out of the severity of the Canadian winters, such as Frazil ice, which at one time actually threatened the success of these water powers. However, in due course this problem, as well as that of long distance transmission with a minimum of loss, has been successfully solved.

From Chambly there is now being transmitted to Montreal 20,000 horse power, the full limit of capacity of the water power. Unfortunately, the early history of this work includes the usual proportion of mistakes, and as a result, on November 30th, 1902, a large portion of the dam was carried away, and this entailed the rebuilding or reinforcing of almost the entire work. The stockholders of the company at that time will not, even now, have forgotten the seriousness of this event.

An additional dam, three miles up the river at St. Therese, originally intended for the production of additional horse power, was afterwards with profit turned into a storage reservoir for the regulation of the volume of water over the main dam, and thereby the company is able to increase the pressure during the rush hours of the day.

Situated on the north shore of the St. Lawrence, seven miles away, are the Lachine Hydraulic Works, in full view of the world-famed rapids of that name, an immense superficial area of the calmest waters, artificially cut of and off from the swift-flowing, turbulent river. Here is generated 9,000 horse power at present, with a possible increase to 12,000 horse, but no further extension is possible from the fact that the working head, or elevation, is but seventeen feet as against thirty-one feet at Chambly.

Eighty-five miles distant from Montreal, on the St. Maurice river, the Shawinigan Water and Power Company has utilized the splendid falls of that name, having a head of 140 feet and a possible capacity of 100,000 horse power, and it is now supplying 12,000 horse power to this company under a 25-year contract with right of renewal. The physical advantages in connection with the situation of these falls constitute it one of the most valuable powers in Canada.

At Soulanges Canal, thirty miles from the city, a new water power, with a head of 31 feet, is being rapidly converted into a fourth plant for the transmission of another 10,000 horse power to this great electric combination, and before the end of the year this additional electric current will be tributary to the City of Montreal and will go far to relieve the present serious shortage of power.

At several sub-stations the company has auxiliary steam plants, with a total capacity of about 11,000 horse, ready for action in the event of any serious accident to the water power plants. Furthermore, in connection with the waters of the St. Lawrence and the Ottawa river, the Montreal Power Company is said to have control, directly or indirectly, of at least another dozen potential water powers. If they do not care to utilize these, at least others are prevented from doing so and entering into serious competition.

The Bank of Commerce is opening a branch at Drinkwater, Sask., in charge of Mr. H. H. Lowe, formerly manager at Montague, P.E.I.

COBALT DEDUCTIONS

THE LESSON OF THE O'BRIEN ROYALTIES.

Extremely Rich Surface Shipments—Subsequent Carloads Do Not Keep Up the Quality—A Very High Average—The Moral of Other Shipments—The La Rose Interests Involved in Litigation—A Court Order of Serious Import—The Right of Way's Claim.

Cobalt's surface showings were in many ways the most remarkable probably in the history of modern mining. They were not absolutely unique in value as a recollection of the wonderful richness in the early output of the Yukon and the placer finds in the Caribou district of British Columbia at an earlier period will demonstrate. It has already been emphasized in The Financial Post that the surface richness at Cobalt could not be expected to continue downward in all its gleaming glory. Values decrease in a measure with depth.

The latest exemplar of this fact is the O'Brien mine. It is one of the few properties at Cobalt which is being developed in a quiet and effective manner, without regard to the public and because the owners have faith in their property. The first carload from the O'Brien was shipped a year ago last August. It consisted of very rich surface ore, specially selected. Its smelter value was over $60,000. This fact is in evidence because the O'Brien proprietors have recently sent a cheque for $15,000 to the Ontario Government, which represents the 25 per cent. royalty on this shipment, less certain costs of assaying, shipping and smelting, which are deductible from the gross value. The O'Brien has been a very active shipper this year after the hampering litigation was finally settled by the Ontario Government last November. Up to March 15th it had shipped nine carloads amounting to 938,851 lbs., or practically 420 tons. It has remitted to the Government for its one-quarter interest, the sum of $39,406, making a total return on 420 tons of $157,624, or $375 to the ton, which is probably a good average in the camp to-day. This is yet representative of selected ore which had been awaiting long expected shipments.

The Trethewey, which in 1905 shipped three carloads of phenomenal value, stated at $150,000, has never repeated that record. On the contrary, its investment value lies in the large body of low grade ore which it undoubtedly possesses.

The Nipissing for the year ending March 30th, 1906, averaged $1,100 per ton; for the eleven months ending March 31st, 1907, $413 per ton.

These facts are now being stated, not to assert that Cobalt is not a great silver camp, but to impress again the lesson that the extreme richness has been proved to exist on the surface and while there are undoubted values, the properties as a rule have been capitalized on a purely superficial basis.

For example, there is one flotation, and it is fortunately not one of the properties in which Canadian capital is largely interested, nor has it been fully reported upon in these columns, which was marketed on a basis of $1,500,000. Its shares have been kept up fictitiously and there has been no ore of value in any quantity found.

Another prospect was capitalized at a million. It was situated on low ground adjoining a property which had showed some results. A so-called shaft was sunk. In reality it was a well in a mudhole. After sinking the well some distance through the mud a certain amount of rock was necessarily encountered. The rock showed a quartz vein which might have been found in the Muskoka rocks. No ore has been taken out. It was floated on its mud on the usual million dollar foundation.

With these object lessons in view it is fortunate that the discerning public can now avoid any but conservative flotations. There are two promotions that are now in view in both of which the McMartin, Timmins and Dunlop interests which control the La Rose property are concerned. One is the La Rose merger to which the University and other properties are added. The University was purchased last summer by this syndicate at approximately one million dollars. It is said there was a higher offer made by American people, and it is also said that the purchasers were somewhat disappointed when a quick turnover was not forthcoming. Nothing has since been heard from the University until it looms up as an adjunct to the La Rose flotation. The La Rose position in regard to the Right of Way mine has assumed very interesting proportions. In sinking their shaft the Right of Way proprietors at their fifty-foot level allege that they came upon the La Rose people, who had drifted on to their property at a depth on the La Rose shaft of some ninety feet. This drift had been worked about 125 feet, with a height of fifteen feet. The result has been of course an action by the Right of Way against the La Rose and a very notable order has been made by the Master at Osgoode Hall, Mr. Cartwright. The Right of Way plaintiffs have been given the privilege of inspection of the La Rose underground workings to ascertain whether there have been tappings of their veins at the deeper levels. The results of the examination will be interesting but the facts so far established in the court allow a certain amount of doubt as to the extent of the damages which may be obtained by the Right of Way owners, assuming that trespass and removal of ore from Right of Way limits are discovered.

FOSTER ON ITS MAIN VEIN

THE CRUCIAL POINT PASSED IN THE MINE'S HISTORY.

Value Found at Depth of Seventy Feet—On a Drift from Shaft No. 5—Systematic Development Rewarded—The Market Responds—The Extravagant La Rose Merger—The Lawson Stock Not in Demand—The Coniagas Dividend.

Yesterday the best news received for some time was contained in a statement by the manager of the Foster mine to his directors that the main vein had been reached in drifting from shaft No. 5 at a depth of about seventy feet, and eight inches of smaltite was first disclosed with a subsequent showing, as the drift proceeded, of native silver. This vein on the surface is 130 feet long and from six to fourteen inches wide. There has not yet been time for assays, but the ore shows every indication of possessing value, and whether this is large or small the quantity is sufficient to warrant a very large body. The stock market quickly responded to the authoritative news, and as there was a large short interest the stock advanced from 123 in the morning to 161 in the afternoon, closing at 145 on the Toronto curb. Other stocks acted in sympathy. The Foster mine is well equipped and has 100,000 shares in the treasury.

The drift from shaft No. 6 on the other side is now rapidly approaching the vein, and if value is ascertained at this end there will be ground for still greater confidence in the property. The directors and the present manager have been consistent in their determination to develop the property on correct mining principles. In the meantime they have endured from disappointed shareholders and the shorts a certain degree of unwarranted criticism, and the usual stories of manipulation have been told. As a matter of fact the directors have stood by the property and not parted with their shares, fully realizing their fiduciary capacity towards the 2,000 shareholders of the company. The following statement is authorized by the president, Mr. W. K. George, and the vice-president, Mr. W. H. Blake, K.C.:

"The directors of the Foster Cobalt mine are pleased to make the announcement that the development work, which has been pressed forward systematically and rapidly for several months, has resulted satisfactorily. After a careful consideration of the situation it was resolved not to proceed by open cut mining, which, while it would have brought about a speedier development of the property, would have been much more expensive in the long run. Shafts were sunk, and at a depth of seventy feet the most important vein which the property at present discloses was attacked by drifts at both ends. This vein on the surface discloses good values and varies in width from six to fourteen inches. Advices have to-day been received from the mine that the drift from No. 5 shaft has encountered the vein at the depth mentioned at a distance of 94 feet from the shaft. The vein at first disclosed eight inches of smaltite, which has not yet been assayed, and a very short distance further native silver. This would appear to block out a very considerable body of ore.

"As soon as weather conditions permit, other mining development work on the surface will be proceeded with. It is believed that the shareholders have every reason to be satisfied with the present condition of the mine."

Up to yesterday afternoon the market in Cobalt stocks had been extremely dull and declining during the week. The public realize that, generally speaking, the properties have not been giving results in proportion to their capitalization. The new issues are going to suffer from the popular appreciation of the point which The Financial Post has made that surface values do not continue and it is on these values that the companies have been floated.

The Lawson property is the next flotation. Its capital is $5,000,000 in one-dollar shares. Our Cobalt correspondent wires us that Lawson stock was offered there this week at $1.35, with no takers. It will shortly be "listed" on the curb of the Toronto Stock Exchange. It may be an excellent gamble, but the history of every other mine in the camp does not warrant the price asked.

The La Rose merger is also to come before the public. To this favorably-situated, deep-shafted shipping mine are added the University, bought for a million dollars by the owners of La Rose; the Silver Hill, the Eppitt and Wallace and the Princess prospects and 200 acres in the Windigo Lake district. The capital is $6,000,000 of $1 shares. It is said that the first allotment, limited to 25,000 shares, will be at $5 per share. Until the promoters are ready to put before the public a statement of their output to date, their development operations, and are prepared to give these full publicity, it is not likely that there will be any response from the investor. In a long interview, Mr. John McMartin says that over $15,000,000 worth of ore has been blocked out above the 100-foot level.

U. P. IN NEED OF CASH

AN ADVERSE FACTOR IN THE STOCK SITUATION.

Why is it in This Position?—Last June Cash Reserves Were $97,000,000—It Has Bought Since $131,000,000 of Other Securities—The Balance Due on B. & O. Stock—Harriman Never Expected the Severe Decline—The Shrinkage on the Hill Holdings Very Heavy.

In the United States Union Pacific on account of its magnitude and the ramifying policy of its president, becomes a market factor which must always be considered. Last Summer it showed in its balance sheet, as of June 30, that it had approximately at its disposal an amount in cash of $97,000,000. Now Union Pacific is in need of ready money and naturally there is a feeling of satisfaction among the pessimists. The amount U.P. requires shortly is at least $50,000,000. The unauthorized statement is made that U.P. must issue forthwith notes to cover this amount. The necessity for an immediate issue is denied at present by U.P. authorities. That the money is needed, however, becomes evident and it must be arranged for in some manner. How U.P. dropped from so independent a position in regard to cash is easily explained by a statement of its purchases in other companies since last June.

The recent heavy declines in Great Northern and Northern Pacific upset the calculations of Mr. Harriman. He never expected these shares to suffer as greatly as they did.

The Wall St. Journal estimated a few weeks ago that the capital requirements of the Union Pacific at this time could not be less than $50,000,000.

Concerning the Union Pacific notes held by the Pennsylvania Company, it appears from the report of the Pennsylvania Company that as of December 31, these notes aggregated $36,393,000. It is understood that $9,000,000 or more of these notes were paid off last month, according to the original terms of sale, so that the amount of the notes now is probably not more than $25,000,000.

A close examination of the Union Pacific's balance sheet as of June 30 last, and its financial operations since that time so far as is known develops the fact that it has had at its disposal a net amount of cash approximating $97,000,000. This operation works out in detail as follows:

Cash as of June 30	$21,258,882
Demand loans	34,710,000
Total June 30	$55,968,882
Less accounts payable (net)	15,000,000
Net cash accounts, June 30	$40,968,882
Add receipts from Hill stocks sold since June 30, about	39,000,000
Surplus earned over dividends, about	17,000,000
Net cash assets	$96,968,882

The above figures take into account the fact that the Union Pacific had some current liabilities as of June 30, and also that it has had dividends to pay since June 30.

On the other hand, the Union Pacific bought securities since June 30 at a cost of approximately $131,000,000. Of the purchases of these $85,000,000 was made at once. This left approximately $45,466,000 to be paid on account of the Baltimore & Ohio stock. Nine million, seven hundred and twenty-three thousand dollars was paid on the Baltimore & Ohio account early in the Fall, bringing the net amount down to $36,393,000. Notes covering this amount were held by the Pennsylvania Company as of December 31 last.

It is understood that since that time the Union Pacific has paid $9,700,000 more on this Pennsylvania account, leaving approximately $25,000,000 still to be paid. The outlays of the Union Pacific on its security account in this fiscal year, therefore, appears to be substantially as follows:

For various stocks early in year	$85,000,000
B. & O. first instalment	9,723,000
B. & O. second instalment, estimated	9,700,000
Total outlay	$104,423,000

The total outlay, therefore, appears to have been $105,000,000, or apparently at least $8,000,000 more cash than the Union Pacific has had at its disposal. The deduction is obvious that there must be a bills payable account of the Union Pacific aside from the notes which the Pennsylvania Company has.

It is quite conceivable. The financial position of the Union Pacific is such, that it could probably get any reasonable amount of money from banking interests at any time. It has fully $150,000,000 to $200,000,000 of collateral securities which could be put up at any time to procure money at the ruling time rates.

(Continued on page 8.)

BANK OF MONTREAL

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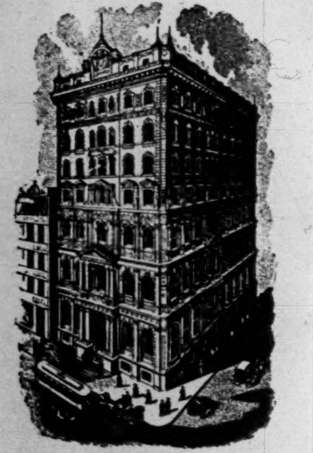

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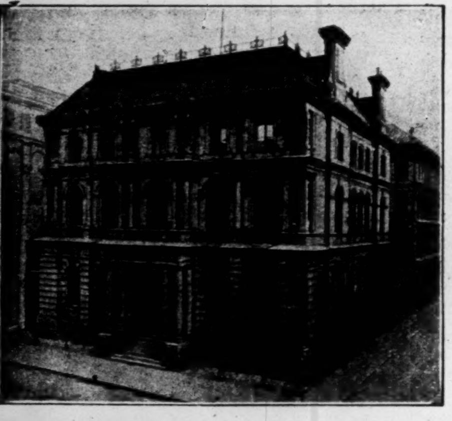


HEAD OFFICE, MONTREAL

THE MOLSONS BANK

Capital paid up, $3,230,980
Reserve Fund, - 3,230,980

JAMES ELLIOT - General Manager
A. D. DURNFORD - Chief Inspector

60 BRANCHES THROUGHOUT CANADA

BANQUE D'HOCHELAGA

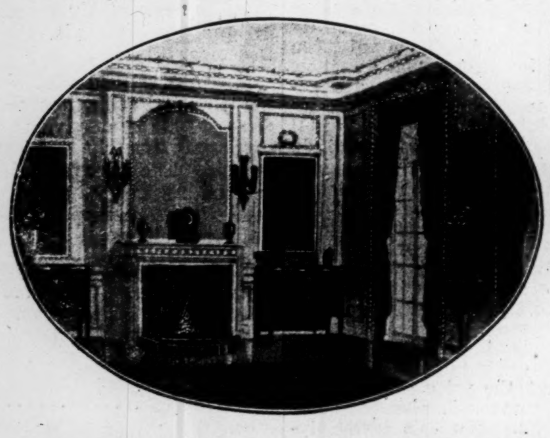
Capital Authorized, $4,000,000
Capital paid up, $2,000 000 - Reserve Fund, $1,600,000

DIRECTORS:
F. X. ST. CHARLES, ESQ., - - - President
ROBT. BICKERDIKE, ESQ., M.P. - - - Vice-President
HON. J. D. ROLLAND, ESQ. J. A. VAILLANCOURT, ESQ.
A. TURCOTTE, ESQ. E. H. LEMAY, ESQ. J. M. WILSON, ESQ.
J. A. PRENDERGAST, General Manager. C. A. GIROUX, Manager

HEAD OFFICE - - - MONTREAL

CITY BRANCHES—Mount Royal Avenue (corner St. Denis), St. Catherine Street East, St. Catherine Street Centre, Notre Dame Street West, Hochelaga, Maisonneuve, Point St. Charles, St. Henry, Town of St. Louis

BRANCHES:—Berthierville, P.Q., Edmonton, Alta., Joliette, P.Q., Laprairie, P.Q., Louiseville, P.Q., Quebec, P.Q., Quebec, St. Roch, Sorel, P.Q., Sherbrooke, P.Q., St. Boniface, Man., St. Hyacinthe, P.Q., St. Jacques L'Achigan, P.Q., St. Jerome, P.Q., St. Pierre, Man., Three Rivers, P.Q., Valleyfield, P.Q., Vankleek Hill, Ont., Winnipeg, Man.



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COBALT SHIPMENTS

PRODUCTION FOR YEAR TO DATE OVER 3,040 TONS.

Tendency to Low Grade Ore — Value of Shipments Will Not Approximate $2,000,000—The Coniagas Last Week's Largest Shipper — Nipissing Prevented by Breaking up of Ice.

The shipments from Cobalt for the three months and two weeks ending April 13, are 6,080,068 lbs., or 3,040.34 tons. The value of the shipments to date is difficult to determine, but the extreme values of many early shipments have long since gone. The O'Brien mine which is the most favorable position of any property, has averaged this year $375 a ton. It is quite safe to say that the total value for the year to date is under $2,000,000, and it is extremely unlikely that the early estimate of $12,000,000 for 1907 by Dr. Eugene Haanel will be equalled. There may be some very rich ore to come from the surface showings of Lawson and the La Rose has so far shipped only six cars. Nipissing has not been a recent shipper, owing to the breaking up of the ice on Cobalt Lake, With the ice gone, the scows, which so conveniently carry the ore from the Nipissing to the railway station opposite, should be kept tolerably busy by the large force of men working at present.

The Coniagas and O'Brien both shipped two carloads during the week ending April 13. The very bad condition of the roads did not deter the Kerr Lake (or Jacobs) mine from sending out 40 tons. The Coniagas shipments are said to be giving very high results.

The shipping figures follow:

WEEK ENDING APRIL 13.

	Lbs.
Coniagas	99,660
Kerr Lake (Jacobs)	80,000
O'Brien	130,130
	309,790

The shipments for the year to date and month of March are:

	March.	Year to April 6.
Nipissing	565,801	1,647,122
O'Brien	403,470	1,408,711
Buffalo	241,400	680,400
Trethewey	296,440	477,158
Coniagas	127,920	510,380
La Rose	65,000	363,567
Silver Queen		220,568
Green-Meehan		129,590
Cobalt Central	34,920	101,877
Foster		100,350
Cobalt Townsite	43,000	90.160
Kerr Lake		155,000
University		61,385
McKinley-Darragh		60,000
Red Rock	40,000	40,000
Nova Scotia		30,000
Right of Way	3,800	3,800
Total lbs.	1,821,751	6,080,[illegible]

The shipments for January and February are as follows:

	Jan.	Feb.
Nipissing	623,701	457,620
O'Brien	419,381	390,110
Buffalo	279,000	120,000
Trethewey		178,648
Coniagas	174,220	108,580
La Rose	123.500	175,067
Silver Queen	125,683	94,885
Green-Meehan	61,210	68,380
Foster	43,600	56,750
Kerr Lake		75,000
Cobalt Central		66,957
University	61,385	
McKinley—Darragh	60,000	
Cobalt Townsite	47,160	
Nova Scotia		30,000
Total lbs.	2,019,290	1,822,997

Mines that have paid a dividend are:
- Nipissing.
- Buffalo.
- Trethewey.
- Silver Queen.
- Foster.
- Kerr Lake.
- McKinley-Darragh.
- Right of Way.
- La Rose.
- O'Brien.
- Drummond.
- Coniagas (old company).

SELF HELP SERIES

This is a department which we hope will be found inspiring and interesting to young men and women. There will be thousands of them in the employment of subscribers to the Post. The attention of the employers might also be directed to these articles.

SOME THINGS THAT ENTER INTO A SUCCESSFUL LIFE.

XV.

Every young man who starts in an office has in his heart of hearts the deep settled conviction that as time goes on he will be rewarded by promotions until his position becomes one of authority and of influence.

Many a clerk finds that this healthy ambition dies down as the years pass by, cooled by results which are a veritable wet blanket. His salary is little improved, his position is slightly advanced. Others, on the other hand, stave right ahead, seeming to elbow their way through the crowd, and up and up they go till they are in positions of prominence almost before they can grow a beard.

The latter class are the minority, but why? That is the question which men have long tried to answer, and down through the ages come pithy sentences and helpful paragraphs which try to explain. The man who knows that only as he makes himself valuable is he valuable has advanced a step toward the attainment of the success which is of paramount importance to all thinking people. The man who considers difficulties as gymnastic exercises to strengthen his business muscles; the man who does not hesitate even though he lacks absolute certainty, is one who will rise above mediocrity.

Depend upon luck for advancement and luck will fly far from you. Fortune favors the brave nowadays not because the brave are fortunate but because they are hard workers. They are patiently absorbing everything useful to them, they are holding their minds open for new light, they are willing to learn. Their minds are pliable and humble enough to believe there is still something new in the world and that all there is to know is not within their limited horizon. They have that willingness to learn from others which lies at the basis of ability to talk well and readily, when anything worth listening to may be said, and to keep quiet when anything worth learning is being made known. Good judgment follows their good conversation and good listening as certainly as night follows day. The man who succeeds is not "a lucky dog." He is an enthusiast, he is a bundle of vital energy that does things and does more than he is paid for doing. He works because he believes in his work and because he believes in himself. "Blind luck," if investigated, usually reveals some reasonable cause for victory and progress. Many instances can be given to uphold this position.

Dr. Reich, who has achieved success in the educational and other fields, both in England and America, tells of "a poor Hungarian schoolmaster, who, having made an eager study of state finance, and memorialized the Hungarian Government with many proposals and suggestions, was one day graciously received by the finance minister, and, when smilingly descending the stairs at the close of the interview, was met by several gentlemen who desired to secure a monopoly of the rights to regulate the River Tisza. These men, seeing his delight, jumped to the conclusion that he might have similar ends in view. They stopped him, offered him stores and a directorship in the syndicate on condition that he surrender his assumed monopoly to them. His quick assurance of ignorance was regarded as a mere feint or ruse, and further negotiations made him a rich man in a moment."

It was in his previous hard work, in his steady, patient, enthusiastic grinding that the element of luck came in. "Genius is infinite capacity for taking pains," not any magic power which at a touch sweeps all difficulties from the path and lightly surmounts all obstacles which block the road to success.

Do not bewail your fate if things do not go right, but look around and see if there is not something the matter with yourself—with the way you go at things and the way you look at things. Nine times out of ten it is not fate at all but a narrow way of looking at things.

One good way to make your plans is to get to a height where you can view your whole life—not in all its details, but in general. Then plan your acts and your purposes from that outlook. Perhaps there is something you would like to do very much and which in itself would be all right. Yet if you do this thing it will necessitate doing something else, which in turn leads on and on to a position wholly undesirable. On the other hand, here is something you don't wish to do. Yet, because it is associated with other things you value, you put your feelings in your pocket and, for the sake of your career as a whole, you make the sacrifice.

It is not necessary to give an instance of this. Such cases occur so frequently in everyday life that all are familiar with them.

Take the man who lives high. He likes to appear prosperous. He may or may not be spending more money than he is earning. But because he likes to be considered a good fellow he spends foolishly what belongs to his business. And it goes on. Suddenly some day he calls in his creditors to arrange for a compromise settlement of their bills. People are astonished. They never suspected his credit. He always had plenty of money in his pocket to spend among friends, dressed in the top of fashion, and was a good hearted soul. A score of houses are caught because of his appearance of prosperity which was kept up only by adroit borrowing.

That is the man who looked at his life from the standpoint of "just now." His business went to wreck and his chances of success fell to the depths. On the other hand another man who is just as fond of seeming prosperous, looks ahead and counts the cost of living for the present. He limits his wants, he dresses well, but quietly. He never parades his money but steadily lays a certain proportion of his earnings aside and prepares himself to be ready for a larger opening whenever it may come. The chance comes, as come it will to him who knows how to wait. He steps in with the foundations firmly built beneath him. His is no tottering failure, but he is on the road to success. He denied himself for the sake of his whole life.

But, you say, is there no element of risk about it all? Does success come by following out fixed rules? Have not most men who have succeeded done so because they took a risk which proved to be successful? There are no fixed rules to follow; if there were, they would have been discovered and stated long ago, but there are helps which may be useful. That is why this column exists. How can a man risk anything if he has nothing to risk? How are most of us to get anything to risk, if not by careful saving and denying one's self present goods for the sake of future goods? And suppose you had an inherited pittance, how are you going to risk it productively if you have not by careful training learned how to distinguish the many traps that are set for "the sucker" from legitimate investments which pay dividends?

Traction earnings continue to show most satisfactory increases. Toronto Railway for the week ending April 6 made a gain of $9,628, or 17 per cent. Montreal $11,500, or 21 per cent. For the last ten days of March Twin City showed an increase of $22,022, or 16.32 per cent. over the corresponding period last year.

By a vote of 36 to 14, the members of the Montreal Stock Exchange carried a motion to increase the rate of commission from ⅛ to ¼ per cent. The change will go into effect on April 15. The ⅛ per cent. commission has been in use for a year and a half, and has not brought the results that were hoped for, hence the change.

THE CANADIAN BANK OF COMMERCE

HEAD OFFICE, TORONTO ESTABLISHED 1867

B. E. WALKER, President.
ALEX. LAIRD, General Manager,
A. H. IRELAND, Superintendent of Branches

Paid-up Capital, $10,000,000
Rest, - - - - 5,000,000
Total Assets, - 113,000,000

BOARD OF DIRECTORS:
B. E. Walker, Esq., President Robert Kilgour, Esq., Vice-President
Hon. Geo. A. Cox, Joseph W. Flavelle, Esq. H. D. Warren, Esq.
Matthew Leggat, Esq. A. Kingman, Esq. Hon. W. C. Edwards
James Crathern, Esq. Hon. L. Melvin Jones, Z. A. Lash, Esq., K. C.
John Hoskin, Esq., K.C., LL.D. Frederic Nicholls, Esq. E. R. Wood, Esq.

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Toronto Branch
M. Morris, Manager
C. Cambie, Asst. Manager

London (England) Branch: 60 Lombard Street, E.C.
S. Cameron Alexander, Manager

172 Branches in Canada, the United States and England

This Bank transacts every description of Banking Business, including the issue of Letters of Credit and Drafts on Foreign Countries, and will negotiate or receive for collection bills on any place where there is a bank or banker.

BANKERS IN GREAT BRITAIN
The Bank of England; The Bank of Scotland; Lloyds Bank, Limited; The Union of London and Smiths Bank, Limited

The Dominion Bank

HEAD OFFICE - TORONTO, ONT.

Capital Paid-up - - - - - $3,000,000
Reserve Fund and Undivided Profits - - - - 3,928,000
Deposits by the Public - - - - - 36,000,000
Total Assets - - - - - - 49,000,000

DIRECTORS.
E. B. OSLER, M.P., President
WILMOT D. MATTHEWS, Vice-President
A. W. AUSTIN JAS. CARRUTHERS J. J. FOY, K.C., M.L.A.
W. R. BROCK R. J. CHRISTIE A. M. NANTON
CLARENCE A. BOGERT, General Manager
H. J. BETHUNE, Chief Inspector

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Branches and Agents throughout Canada

Commercial and Travellers Letters of Credit issued, available in all parts of the World

THE BANK OF TORONTO

Incorporated 1855
HEAD OFFICE, TORONTO, ONT.

Capital - - $4,000,000
Rest - - - 4,500,000
Assets - - 37,000,000

ACCOUNTS opened for firms, corporations and business men.

MONEY LOANED to responsible people.

LETTERS OF CREDIT issued for Travellers or for Importers, containing every facility for safe and convenient banking.

INTEREST paid on Savings Deposits.

EFFICIENCY and SATISFACTORY SERVICE will be found in every department of our business.

70 Branches in Ontario, Quebec and the West

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CHICAGO - - - First National Bank
LONDON, ENG. - London City and Midland Bank

THE BANK OF TORONTO

Toronto Humane Society
103 Bay Street

President---Ven. Archdeacon Sweeny, D.D.
Hon. Treas.---Col. John I. Davidson.

Everyone is requested to report any case of cruelty promptly, so that it may be investigated.

TELEPHONE M. 1958

Contributions for the work earnestly requested.

Dora Speers, Secretary

STERLING BANK OF CANADA

Notice is hereby given that a dividend of one-and-one-quarter per cent. (1¼%) for the quarter ending thirtieth April instant, being at the rate of 5% (five per cent.) per annum, on the paid-up Capital Stock of this Bank has been declared and that the same will be payable at the Head Office and Branches of the Bank on and after the fifteenth day of May next.

The Transfer Books will be closed from the 2nd May to the 15th May, both days inclusive.

The Annual General Meeting of the Shareholders will be held at the Head Office (50 Yonge St.) on Tuesday, the 21st day of May, 1907; the Chair to be taken at 11 a.m.

By order of the Board.

Authorized Capital
$5,000,000

UNITED EMPIRE
Bank of Canada

DIRECTORS
Samuel Barker, M.P., Hamilton, President; Mark Bredin, Toronto; T. Willes Chitty, London, Eng.; George A. Clare, M.P., Preston: E. E. A. DuVernet, Toronto; Lt.-Col. F. T. C. DuVernet, London, Eng.; Rev. T. C. Street Macklem, Toronto; Stanley Marling, J. P., Stroud, Eng.; M. McLaughlin, Toronto; Bennett Rosamond, Almonte; William J. Smith, Toronto.

General Manager, GEORGE P. REID

Head Office, TORONTO

LETTERS OF CREDIT
COLLECTIONS NEGOTIATED AND RECEIVED
CORRESPONDENCE INVITED

THE
ROYAL BANK
OF CANADA
INCORPORATED 1869

Capital paid up - - - $3,800,000
Reserve Fund - - $4,300,000
Total Assets - - - $43,000,000

HEAD OFFICE - - - - MONTREAL
EDSON L. PEASE, General Manager

Seventy-five Branches in Canada
Eight Agencies in Cuba
St. John's, Newfoundland
New York City

BUSINESS ACCOUNTS CARRIED UPON FAVORABLE TERMS
SAVINGS DEPARTMENTS AT ALL BRANCHES
CORRESPONDENCE SOLICITED

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CITY OF
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ALBERTA
DEBENTURES
To Yield Investor
4 3/4 % Interest
Validity certified to by Alexander Bruce, K. C.
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THE CROWN BANK OF CANADA
HEAD OFFICE, - - TORONTO
CAPITAL AUTHORIZED, $2,000,000

Cultivate the ability to help yourself—nothing in life can bring you greater results.

Teach always the lessons that help others to help themselves.

A Bank Account is the beginning of it—the end of it,—in fact, it is the whole educational course! —Start in, and—keep it up.

EDWARD GURNEY, President
G. de C. O'GRADY, General Manager

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LIMITED
TEMPLE B'LD'G
174-176 BAY ST TORONTO.
CAPITAL $2.500.000.
RESERVE $400.000

GRAND TRUNK PACIFIC

THE ADVANTAGES OF THE EASY GRADE OVER THE MOUNTAINS.

A Low Cost of Operation—A Remarkable Comparison With Other Transcontinentals—The Resources of Northern British Columbia—A Country of Great Opulence—An Exhaustive Article in The London Financier.

Referring to the conditions along the line of construction of G.T.P., the annual report of the Grand Trunk says:

"Construction operations on the line of the Grand Trunk Pacific have been necssarily almost completely suspended during the Winter months. In the meantime, rails, ties, and construction material of all kinds have been collected at convenient points, with a view to having everything in readiness to actively renew operations as early in the coming season as the weather will permit. The work of construction was somewhat delayed during the past season owing to the scarcity of labor, but strenuous efforts are being made to obtain an additional supply from Europe, and there is every prospect that there will be considerable immigration during the the next few months of the class of labor required for railway construction.

"The Lake Superior branch will be completed during the year to the point of junction with the main line. It is feared, however, that the section of the railway between the junction and Winnipeg, which is being constructed by the Government, will not be in a sufficiently forward state to connect the Lake Superior branch with Winnipeg this year."

A Comparison of Grades.

In an exhaustive article on the Grand Trunk Pacific Mr. R. J. Barrett, the editor of the London Financier, in pointing out the remarkable ease of grade, gives a comparison of the summits and gradients of the five existing American transcontinental railways with the Grand Trunk Pacific, as follows:

Name of railway	Highest summits	Maximum gradient in feet yer mile. East-bound	West. bound	Total ascent in feet overcome, East-bound	West-bound
Grand Trunk Pacific—					
Western division—					
Winnipeg to Prince Rupert	1 summit 3,712	21	26	6,990	6,890
Eastern division—					
Winnipeg to Moncton			31		
Canadian Pacific	2 summits 5,299 4,308	237	116	23,106	23,051
Great Northern	3 summits 5,202 4,146 3,375	116	116	15,987	15,305
Northern Pacific	3 summits 5,569 5,532 2,849	116	116	17,830	17,137
Union Pacific System— Omaha to San Francisco	3 summits 8,247 7,017 5,631	116	105	18,575	17,552
Omaha to Portland	5 summits 8,247 6,953 3,537 3,936 4,204	106	116	18,171	17,171
Santa Fe system	6 summits 7,510 7,453 6,987 7,132 2,575 3,819	175	185	34,003	34,506

From this comparison it will be observed, that in the case of the Grand Trunk Pacific but one summit is encountered, having an altitude of 3,712 feet, with no greater grade in either direction than five-tenths of one per cent., or a rise of 25 feet to the mile, west of Winnipeg, which is increased to six-tenths of one per cent. east of Winnipeg; while in the case of the Canadian Pacific two summits are surmounted, with a maximum altitude of 5,299 feet and a maximum gradient of four and one-half per cent., or 237 feet to the mile—which, however, has a compensating advantage in the magnificentscenery traversed. The Great Northern has three summits, of a maximum altitude of 5,202 feet and a maximum gradient of two and two-tenths per cent., or a total rise of 116 feet to the mile. The Northern Pacific has three summits, having a maximum altitude of 5,569 feet and a maximum gradient of two and two-tenths per cent. The Union Pacific has three summits, having a maximum altitude of 8,247 feet and a maximum gradient of two and two-tenths per cent. in reaching Francisco, and in reaching Portland, Oregon, five summits are encountered, with a maximum altitude of 8,247 feet and a maximum gradient of two and two-tenths per cent. The Atchison, Topeka and Santa Fe Railway has six summits, having a maximum altitude of 7,150 feet and a maximum gradient of three and three-tenths per cent.

Economy of Operation.

Where the Grand Trunk Pacific will reap the first benefit from these exceptional conditions will, of course, be in the economy and low cost of operation which can be obtained from the very commencement. That is of vast importance in the case of a newly-constructed railway, when the traffic for the time being and the revenue therefrom must of necessity be light. From present indications, however, it would appear that the period of light traffic for this new transcontinental railway will be of a comparatively short duration. With regard to the Western division and that portion thereof known as the Prarie section, extending from Winnipeg to Edmonton, it has already been conceded by the Canadian public and all who are familiar with past and present conditions in Canada that this portion of the railway should produce sufficient net revenue from the very commencement of operations to amply pay the interest on all of its securities on this section. That fact was generally accepted when the arrangement was concluded between the company and the Government providing for the construction of the railway. With regard to the mountain section, however, some uncertainty was felt in connection with the traffic possibilities from the start, in consequence of which the Canadian Government, in addition to its guarantee of the principal and interest for fifty years on three-quarters of the cost, undertook to pay the interest thereon for the first seven years of operation without any recourse to the company.

The Mountain Section Productive.

In view, however, of the very low grades which have been obtained through the mountains and of the further fact that the territory through which the line will pass along its entire route to the coast is known to possess rich mineral resources, already partly exploited, it does not appear likely that the Government have assumed an onerous undertaking. This portion of the route also contains rich agricultural districts, the importance and value of which can only be calculated when it is borne in mind that they exist in the heart of a large mineral country, where food supplies will be in increasing demand for all time to come. By reference to a map of British Columbia it will be seen that this district lies between the 52nd and 57th parallels of latitude.

Unequalled Natural Resources.

It is probable that no other area in North America can equal this portion of British Columbia in her natural resources. Where there is no agriculture or pasture there is mining or lumbering to be developed, and where there are none of these—though they often occur altogether in one district—there is at least trapping and hunting. It is, in truth, a northern Eldorado which future events are bound to verify. Lying as it does far to the north, the climatic conditions have in the past been supposed to be unendurable at certain seasons of the year, but the fallacy of this impression is rapidly and surely creeping over the world on account of the reverse condition actually existing. Before the House of Commons Agricultural Committee, recently, Mr. Elihu Stewart, Dominion Superintendent of Forestry, in testifying as to the resources and conditions concerning this far northern country, said that the growth of vegetation in the Mackenzie Basin was surprising, the sun in the Summer being visible for about twenty hours out of the twenty-four.

Temperate Climate Far North.

On July 15, at Fort Providence, near Slave Lake, on the Mackenzie River, about 550 miles north of Edmonton, Mr. Stewart said he saw ripe wheat, potatoes in flower, peas fit to use, tomatoes, turnips, rhubarb, beets, cabbage, onions and other garden vegetables. The strawberries had been ripe there for some time, and the people had currants and gooseberries. To illustrate the heat, he said at Fort Chipewayan it had been 100 degrees in the shade for several days and nights. Indians coming from the Alaska boundary to meet the steamer Wrigley had lost two dogs from heat in the Arctic circle. He thought systematic exploration would show a surprising amount of good country, extending down from Slave Lake to Peace River. Along the Mackenzie River spruce grew clear to the shores of the Arctic Ocean. There were aspen, white poplar, balm of Gilead and birch growing as far north as Fort Macpherson. Mr. Stewart said that on Slave River he had passed a bank of burning coal about twenty miles in length near Fort Norman, which Mackenzie had reported burning in 1789.

Grain Carriage This Year.

The construction of the western division is being vigorously carried on, with the endeavour on the part of the company to open for traffic that portion of the line from Winnipeg to Edmonton during the present year, and in sufficient time to carry the grain crop which will be harvested next Autumn. The early accomplishment of this, however, is dependent largely upon the number of laborers it may be possible to secure to perform the work.

Prince Rupert's Advantages.

The terminus of the railway on the Pacific Coast at Prince Rupert, B.C., is situated within fifty miles of the southern extremity of Alaska, and is reached from the Pacific Ocean via Dixon Entrance and Brown Passage. Much care was exercised by the company in the selection of this port, with the result that it possesses some of the greatest advantages to ocean shipping that can be found along the entire Pacific Coast. It is practically as accessible from the open sea as though it stood upon a promontory of the shore, and at the same time is thoroughly protected by Digby Island, which is situated directly in front of it, thus providing a harbor entirely sheltered from the ocean, capable of accommodating enormous shipping, and which is approached by a channel passage of more than half a mile in width. Curiously enough, this wonderful natural harbor has not been secured by rival concerns, owing to the fact that the charts of the coast are inaccurate; these charts represent that the entrance to the harbor is blocked by rocks, but actual surveys have shown that it is entirely free.

(Continued on page 6.)

ENGLISH STOCK COMPANIES.

Some Remarkable Figures as to the Total Capitalization.

Skinner's London Directory of Directors, just issued, contains in its preface the following interesting review of the joint stock company capitalization in Great Britain. In 1904 there were registered in the United Kingdom only 3,831 companies, with a total authorized capital of £92,526,000; in 1905 the number of companies passing through the initial stage rose to 4,358, with an authorized capitalization of £119,179,000, while for 1906 the figures were respectively 4,748 and £138,956,000, and in this connecion it may be mentioned that very little advantage is now being taken of the Guernsey court, only eleven companies having been registered there last year with a total capital of £1,288,000 In April, 1906, which is the latest date to which such figures are available, the number of undertakings existing under the Joint-Stock Companies Act totalled no less than 40,995, with a paid-up capital of £2,003,392,000, this, of course, being irrespective of companies working under acts of Parliament, such as railways, gas and water concerns, etc., and those incorporated by charters.

BANK OF
NOVA SCOTIA
INCORPORATED 1832
Capital - - - - $3,000,000
Reserve Fund - - - - $5,250,000
Head Office: HALIFAX, N.S.
General Manager's Office: TORONTO

A general banking business transacted

Savings Accounts opened by deposit of $1 or over.
Interest added four times a year

FOR THE INFORMATION OF DEPOSITORS
This is the only Bank having its Head Office in Canada that submits its books and statements to examination by strictly independent aud tor

ESTABLISHED 1873
THE STANDARD BANK
OF CANADA
Head Office, - - - - Toronto

BANKING IN ALL ITS BRANCHES

The accounts of Commercial, Manufacturing and Business firms solicited.
Special attention given to the collection of notes and other commercial paper in all parts of the world.

Savings Bank Department in connection with all Branches

THE BANK OF OTAWA
Head Office: Ottawa, Ont.
Capital, - - - - - - - $3,000 000
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President, - - - John Bayne MacLean
Managing Editor, - - - Stewart Houston

Toronto, April 20, 1907.

BRITAIN'S BUDGET.

Canada has every reason to rejoice over the gratifying budget statement of Great Britain, presented by Mr. Asquith in the Imperial House of Commons on Thursday last. The expressed intention of purchasing a large quantity of consols for the reduction of the national debt has been received with great satisfaction by the financial community. It should have an appreciating effect on the price of consols. The reduction of the national debt last year was $68,910,000. In 1907 Mr. Asquith expects to further decrease the national debt by $85,000,000. The reduction of 25 per cent. on the earned incomes has also aroused great satisfaction in Great Britain. While it cannot be expected that the money situation will be immediately relieved, a more optimistic feeling will be engendered. Canada, apart from the Imperial sentiment, is closely concerned in the financial condition of the Mother Land, now that English capital is becoming more and more interested in all Canadian projects. Two other figures in the budget of especial interest are the surplus of $26,955,000 and the excess of revenue over estimates of $10,000,000.

The sum of £1,500,000 was set aside for old age pensions, but the Chancellor of the Exchequer aroused the ire of the Radicals by saying he would not commit himself to any definite scheme, although the Government regarded old age pensions as the most serious and urgent of all the demands for social reform.

The loss of revenue from the reduction in the tax on earned incomes from one shilling to nine-pence per pound on all incomes not over £2,000 will result in a loss of revenue of £1,250,000 which is to be provided for by an increase in the death duties.

Mr. Asquith's remarks on the commercial and financial situation were extremely interesting. He pointed out that with the exception of the stock markets, which suffered from the money stringency, trade at home and abroad had been remarkably flourishing. The treasury receipts were over $10,000,000 in excess of the estimates, unanticipated death duties accounting for $6,000,000 of this sum, while the balance was made up of increased receipts from the coal duty and the mint. The latter was due to the increased demand for coinage on account of the prosperous state of trade and the large amount of silver, aggregating $2,500,000, required for various purposes.

The Government was under the immediate obligation of reinstating and improving the national credit.

Referring to the recent fall in gilt edged securities, the Chancellor said that consols were still the premier security. The existing conditions were largely the result of unliquidated commitments, and constituted a serious embarrassment, not only to the Government but to the community at large. The further reduction of the national debt was the paramount duty of the Government, but behind all that was the unconquered territory of social reform.

A CRITICISM OF THE POST.

A reader of some evidently belated copies of The Financial Post has responded to our suggestion in a January number for criticism. He has done so with a right good will. At the risk of a possible amount of injustice The Post prints his letter. His remark in regard to the Bank of Commerce's method of financing its many new buildings is the result of extraneous ignorance. The system is one which has been followed by other institutions in Canada and was probably arrived at after a very thorough consideration of the equities involved. We believe it is the best arrangement for distributing the cost of permanent buildings over a term of years that could well be devised and the annual report of the bank was full and frank in its exposition.

In regard to The Post's favor being bought by any advertising, it is a fact on record in the business office of this newspaper that a considerable amount of advertising offered by agents has been refused. The Post has not canvassed all the banks in Canada for advertising and advertising from perhaps more than one institution has not been requested nor, strange as it may seem, is desired. We believe that the well-founded banks in Canada are the best safeguards of its financial interests. There is enough ill-considered popular clamor against vested rights to incline a fair-minded financial paper to the suggestion and exposition of the other side of the question.

As regards purchase of editorial favor, The Financial Post has taken very decided ground on the City of Toronto's methods in regard to the electrical companies. We have not received one dollar in advertising from any of the companies interested nor do we expect any pecuniary patronage. The letter follows:

Editor of Financial Post, Toronto:

Dear Sir,—I notice by two copies of your paper received here to-day that you invite criticisms of your publication. The most striking comment I can make on your publication is the fact that you have sold yourselves to the very people that really need your fearless criticisms and as long as they have so far given you a portion of their money to help you maintain such a journal you have practically tied yourselves up to the car of Juggernaut, and let them ride over you. Your explanation of the Bank of Commerce donkey engine, the "Dominion Realty Co.," without comment, simply shows you are already bought, by their patronage, and by the number of banks who have no doubt conceded contribution to you to gain your favor, it really looks as if your sole object was to make money regardless of the methods employed. The only criticism I can see in your issue of January 19, is that of the new Farmers' Bank, and I fail to find any advertising patronage from them in your journal. It is fair to infer that had they also given you a fat advertising contract, that article would have been suppressed. Your editorial matter is really the least part of the publication and perhaps is best explained by the fact that you are not allowed to make any editorial comment either on the current investments or the fradulent system of finance that has and does prevail in Canada. I have no doubt you will consider my criticism rather harsh and will resent it by consigning this letter into the waste basket and then go on and publish the vast amount of praise you have got from people who are anxious to curry favor with a dangerous and sometimes, forcible publication.

Yours respectfully,
W. D. HARDY.

A REVIEW OF THE POWER QUESTION.

The situation of the Toronto Electric Light Company and the Electrical Development Company, in view of the city of Toronto's expressed determination to build, with the assistance of the Hydro-Electric Commission of the Ontario Government, a separate transmission line between Niagara Falls and Toronto, becomes interesting. As we have pointed out, the principles involved are not merely local, just as the principals involved are also not local. Of the Electrical Development bonds four millions are held in Great Britain, and one million in the United States. There is also a considerable amount of Toronto Electric Light Company stock held outside the city of its operation.

The civic corporation of Toronto, through its counsel, made a very ill-advised attempt to secure power to expropriate the Toronto Electric Light Company on the city's own terms without regard to existing contracts, rights or obligations.

Finding that the Ontario Legislature was opposed to such confiscation, the city of Toronto abandoned its bill and now asserts its intention to build a competing line. Thus far the net result has been that the city has by its action involved the electric company in a very heavy outlay for legal expenses and has prevented it from securing capital which was needed for extensions and improvements.

The Financial Post is a firm believer in the futility of municipal operation and all experience and facts to date are in favor of this belief. The power project initiated by Hon. Adam Beck, who is himself a most capable business man, was well conceived and as regards the individual municipalities in western Ontario afforded a means for the transmission of power from Niagara Falls on a co-operative system that must make for reduction in general outlay. How far a Government line to the outskirts of each town or city, with the inevitable inefficiency of municipal operation, can be made an operative success is another question.

A competing system between Niagara Falls and Toronto would involve a tremendous waste, with doubtful results. Much adverse comment has been expressed in daily newspapers on the contract made between the Electrical Development Company on the one part and the Toronto Electric Light Company and the Toronto Railway Company on the other part. Without entering into a discussion of the scientific details or the expert calculation the facts reduce themselves to this point.: The Electrical Development Company offered the Toronto companies two rates for power, a meter measure of $35 per horse-power and a flat rate of $25 per horse-power. Mr. J. J. Wright, general manager of the Toronto Electric Light Company, whose judgment and knowledge may be relied upon, after a full examination of the proposals and with expert consultation preferred the $35 meter rate to the $25 flat rate. The public are apt to confuse the two propositions. The Hydro-Electric Commission estimated that power could be laid down at first in Toronto at slightly over $18 per horse-power flat rate. This estimate has been revised and has been increased. Assuming that energy could be supplied to Toronto at $20 per horse-power on the Government system, the question of efficiency becomes paramount. For the purposes of comparison it is fair to accept $25 per horse-power as the flat rate of the Electrical Development Company, for it is still on offer at that price. Would a consumer of electricity prefer an absolutely efficient system at $25 or an uncertain system at $20, with all the losses of interruption and delay? This point really goes to the root of the matter.

The Government's estimate of the cost of a transmission line between Niagara Falls and Toronto is $1,500,000. The cost of the Electrical Development Company's line, including transforming stations, has been over $3,000,000.

Why is the cost so much greater than the Government's estimate?

Because the entire merit of electrical transmission lies in its efficiency. The Electrical Development Company has erected a line of double steel towers, with a twelve-foot base. The Ontario Power Company, for example, has built for its transmission in the United States a single tower line with a three-foot base. The Government estimate calls for a right of way 12 feet wide. The Electrical Development Company's right of way is 80 feet wide. A transmission line with wooden poles can be built for the money. Yet wooden poles will not withstand the weather severities. In a recent storm wooden poles of the Toronto Electric Light Company on the exhibition grounds snapped asunder at the base as if they were matches. A thunder storm a few weeks ago stopped the entire lighting and power system in Toronto. The company decided to guard against this possibility in the future and is now, at an approximate expense of $50,000, equipping all the towers along its line with lead wires running to the base to carry off the lightning.

These facts are valuable to the consumer. In power transmission efficiency is paramount. Which system would the discreet manufacturer prefer? One built with every regard for permanency, assuring a regular service, at a cost of a few dollars more per horse-power, or a cheaper line of less permanent construction, involving breaks, and the consequent prostration of business?

Figures in the prospectus of the Electrical Development Company have been quoted to show that the actual cost of power to be sold at $35 is $19. These were figured on the consumption of 50,000 horse-power, which the city of Toronto will in time reach, say in ten years. The cost of 30,000 horse-power, the present maximum prospect, must of necessity be considerably greater. In ten years' time the Electrical Development Company's contract is subject to revision.

The city of Toronto in the transmission of power within its borders, which it must do without Government aid, meets a difficulty that is well nigh insuperable. Except for a tremendous capital outlay it cannot lay sufficient wires underground to meet the needs.

The whole question will undoubtedly be adjusted in time, but its solution probably lies in a co-operative plan utilizing existing systems, at fair rates and securing for present companies a wider market at prices capable of reduction as the consumption increases.

The city of Toronto will have trouble in securing the money power from the ratepayers. If the authority is obtained, where will the money come from? The financial situation answers in the negative.

THE SAO PAULO TRAMWAY, LIGHT & POWER CO., LIMITED.

Report of the President and Directors for the Year Ending 31st December, 1906.

Your directors have pleasure in submitting to the shareholders their sixth annual report for the year ending 31st day of December, 1906

The gross earnings for the year amounted to $2,018,703.92, and when compared with the previous year show an increase of $110,298.19.

The operating and maintenance charges amounted to $650,541.15, resulting in net earnings of $1,368,162.77, an increase of $94,329.91 over the net earnings of 1905.

The distribution of gross earnings has been as follows:

(a) Operating and maintenance charges	$ 650,541 15
(b) Bond interest, Government and municipal taxes etc.	359.882 14
(c) Four quarterly dividends of 2 per cent. each. aggregating	599.970 00
	$1.610.393 29

There remains after these expenditures a surplus of $408,310.63. Of this amount $60,000 has been transferred to contingent account, and the balance, $348,310.63, was carried to the credit of profit and loss. To profit and loss account was charged $40,591.83, being interest on certain bonds belonging to the parties from whom was acquired the old Mule Line Company, such interest having been withheld pending the termination of litigation in Sao Paulo relating to these shares between these parties and others claiming an interest in them. There was also transferred from this account $1,000,000 to reserve fund, leaving a balance at the credit of profit and loss of $411,924.10.

At a special meeting of shareholders, called for the purpose, a by-law was ratified authorizing the increase of the capital stock of the company from $7,500,000 to $8,500,000. The proceeds of the sale of the additional shares will be utilized in further developing the company's undertakings.

The capital expenditure during the year amounted to $1,041,448.75 The following form the particular items of expenditure:

Santo Amaro Reservoir.

To make provision for increasing the supply of power and storing the water required therefor during the dry season, it was deemed advisable to construct a storage reservoir. After a most careful study of the situation by our consulting engineer and other experts, it was finally decided by your directors to construct a reservoir at Santo Amaro capable of storing 195,000,000 cubic meters of water.

The reservoir is so situated and provision is so made that the water may run into the Tiete River above the dam at Parnahyba. It is expected that the reservoir will be ready for storage of water during the next rainy season, resulting in increased capacity for development of power and insuring a continuous water supply for our increased requirements during the dry season.

Hydraulic Plant.

Your directors, after considering the present and prospective demands upon the plant at Parnahyba, decided to place in position the sixth generator and turbine. In building the tail-race, to which reference was made in our last annual report, it has been found necessary to enlarge same to make provision for additional installations which may be required from time to time.

Track Construction.

During the year there was constructed about 13,000 feet of new track. In addition to several new extensions to the company's system, a number of single tracks were doubled, same being considered necessary to better facilitate the operation of the system and to provide for the increased demand upon the service.

The extensions of the company's system to the suburbs of Pinheiros and Saint Anna, referred to in last year's report, have not yet been undertaken. Negotiations are still pending between the company and the authorities regarding this matter.

Light and Power.

It is gratifying to report that during the past year progress has been made in electrically illuminating some of the streets of the city, and it is expected as a result of negotiations now pending that the city government will permit the extension of our light system to the suburbs of Lapa, Penha and one or two other points.

In the light department there has been an increase during the year of 3,622 lamps over the previous year.

In the power department contracts have been made for 62 additional motors, one contract being for 1,750 h.p. for a period of ten years. From reports in hand it is expected that during the coming year contracts will be closed with the Government and other large consumers aggregating about 4,000 h.p. It will thus be seen that the demand for light and power is constantly increasing.

Conditions in Sao Paulo.

Owing to the fluctuations in exchange during the last two years the National Congress, while in session, had under consideration means for the fixation of exchange. As a result, legislation was enacted which provides for maintaining the rate of exchange at about 15d. for the milreis, consequently, manufacturers feel more encouraged to increase their plants, and new industries are being proposed.

The principal State Governments, aided by the National Government, are making earnest efforts to bring about a great colonization movement of railways. There is no doubt as a result of their efforts many miles of extensions will be constructed and connections made with the present railway systems, as the Governments are giving generous help in financing such undertakings.

Extending over the southern part of Brazil there is some of the finest territory in the world ready for colonization, and it will not be surprising if we see reproduced there in the near future a growth and development similar to that which the Argentine has experienced during the last decade.

All the Sao Paulo railways are extending farther and farther each year into the interior, and the city of Sao Paulo, as the chief distributing point for all this vast territory, should soon begin to show substantial results from the development of so large a district. Within another year these results should be very apparent, as all the States to the south as far as the Republic of Uruguay should about that time be connected by rail with Sao Paulo.

All vouchers and accounts for the year have been audited and the balance sheet duly verified by Messrs. Clarkson & Cross, chartered accountants.

Respectfully submitted,
WM. MACKENZIE,
President.

Toronto, April 16th, 1907.

In the absence of the president, Mr, Frederic Nicholls, the vice-president, presided, and made the following remarks:

"During the year United State Secretary Root and the various persons who accompanied him to attend the Pan-American Congress, held in Rio de Janeiro, upon their return, spoke highly and most enthusiastically, as you will no doubt have noticed through many publications, of Brazilian progress and possibilities.

The great progress of the country is reflected in the remarkable growth of imports and exports. The prominent place that the State of Sao Paulo takes in this respect is abundantly shown by the statement appended to the report, giving the value of the imports and exports.

You will more fully realize the value of these figures when I inform you that the exports from the State of Sao Paulo alone exceeded the combined exports of Canada's wheat crop and Australia's wool, the chief product of these two countries. The complete returns for Brazil's trade for 1906 are not yet to hand, but it is estimated that the value of the exports from coffee and rubber alone will exceed $200,000,000.

Our gross income in Brazilian currency increased nearly 40 per cent. in five years, and so greatly has the credit of Brazil advanced that the value of Brazilian currency has become enhanced, until the gross income in Canadian currency has increased almost 100 per cent. within the same period.

You have no doubt heard it said that so much money should not be invested in foreign enterprises, but it will be of interest to know that this company in less than five years has distributed in dividends from its office in this city the sum of $2,349,989.50. I am sure you will agree that this is a good return, especially in so short a period."

The directors were all unanimously re-elected for the ensuing year, and at a subsequent meeting of the directors Mr. William Mackenzie was elected president. Messrs. Frederic Nicholls, A. W. Mackenzie and Alex. Mackenzie (president in Sao Paulo) were elected vice-presidents.

J. M. SMITH, Secretary-Treasurer.
CLARKSON & CROSS, Auditors.

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JAMES MASON, General Manager

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The Coniagas mine will very shortly declare a dividend. Since it was announced in these columns that the dividend might be on a basis of 25 per cent. per annum a more conservative view has been taken by the insiders and it is likely that the first declaration will be on a ten per cent. basis. The property is capable of making a higher return, but the conduct of mining on a conservative basis is highly desirable.

The confirmation by the Ontario Government during the past week of the titles of the Cobalt Lake and the Kerr Lake Crown Reserve titles removes the bugbear of irresponsible litigation. The Cobalt Lake was a popular frenzy that is being developed with great efficiency and has possibilities of making good the highly extravagant price which the public of their own accord and with their eyes wide open paid for it.

THE TRUE BASIS OF VALUE

EARNING POWER IS THE ONLY CORRECT GUIDE.

The Case When Cost of Duplication Exceeds Earning Power — The Innocent Purchaser of Shares — The Inutility of Plant Except for the Special Purpose.

Last week's discussion of the basis of valuation to be used in case of an expropriation of the Toronto Electric Light Company makes not untimely a fresh questioning of what constitutes the foundation of value in any concern or enterprise.

However monopolistic any particular undertaking may be it has no monopoly of capital, but must secure this necessary element of production in the face of the keenest competition—that of the money market.

What value then affords the security for bonds, and enables an enterprise to float them, makes stock a desirable or an undesirable investment at a given price—and as an incident and consequently affords the proper basis of payment in case of expropriation proceedings?

Earning power—And anything else, whether original cost of plant or cost of duplication, is important only as it affects that.

No matter how much the properties of an enterprise cost they are worth nothing, the bondholder has no security, unless they will produce a revenue. How much they are worth depends on how much revenue they will produce. Modern production has become so highly specialized that such properties have comparatively slight value except as the properties of a "going concern."

Imagine it possible that the water from Lake Erie should find some other than its present channel to Lake Ontario. What value would the work of the magnificent engineering skill shown there in the Electrical Development Co. —the tunnelling under the river—the solid concrete arches, have then? Would they be worth any small fraction of what they cost, or of the cost of duplication? Would the bondholders have any appreciable security? Would the owner of shares care much whether the undertaking had cost twenty cents or twenty millions of dollars?

If this property were to be expropriated, in that case would those who should begin the expropriation proceedings contend that the cost of duplication was a fair value?

Should not anyone contending for a principle of expropriation consider whether he would be willing to adopt it in all cases—when the cost of duplicating the plant is greater than the capitalized earning power, as well as when it is less?

The owner will not object to having capitalized earning power always taken as the basis, for no matter how much less that may be than the cost of reduplication he knows that the property if not expropriated is worth no more to him than its capitalized income possibilities, however small they may be.

Someone may contend that the earning power of the concern is perhaps greater than it ought to be, that it is abnormal and unjust, that it should not be so great when the original cost or the cost of duplication is comparatively so small. But is any earning power, no matter how great, unjust if it has been gained with the permission of the community, in accordance with the recognized existing principles for the conduct of business. Capitalists have invested their funds relying on such principles as among the conditions surrounding the undertaking. If the conditions had been less favorable perhaps the promoters of an electric lighting enterprise would have let it alone and directed their attention to developing timber lands in British Columbia.

What the community has permitted, its regulations for the conduct of business, may not be most advantageous for it, but men have acted in reliance upon such permission and regulation and the community may not now act in contravention. Since it has permitted an enterprise, acting in good faith, to acquire a certain earning power and to give its property a certain consequent value, it is estopped, if I may use the word in a not strictly technical sense, from saying that such a value is not just and proper. That applies to certain questions of capitalization as well as to expropriation.

Of course the community has a perfect right to say that it deems regulations governing in the past disadvantageous, and declare that new enterprise shall engage under different conditions.

Another fact is that that ownership may have changed, probably has changed many times, since the beginning of the enterprise. Each time any share of the ownership has changed present or prospective earning power determined the price. Whatever argument might be made for anything but earning power determining value in case of expropriation falls before this fact of shifting ownership.

Take a concrete case. Suppose an electric lighting corporation started with a plant costing $1,000,000 and that reduplication would cost $1,000,000. Through a period of twenty years the company has increased its actual net earnings distributable for dividends from $40,000 to $120,000 a year. The company was capitalized at $1,000,000 and stock has advanced in price till one month ago Mr. Brown, who believed he was buying a regular 12 per cent. dividend stock, paid $200 for a share. The city then came along, and showing that the physical property of the company could be duplicated for $1,000,000, secured authority and expropriated the plant for that amount. City authorities said that since the company got all the property cost the transaction was fair enough. But Mr. Brown, who owns one ten-thousandth of the entire company, can get from the distribution of the assets only $100 return from the share he paid $200 for. Mr. Brown was just an ordinary citizen. Relying on what the community had sanctioned, the increase of the electric light company's earnings to $120,000 a year, he had said to himself that 6 per cent. was a good enough income from his capital and thereupon bought an electric light share at the prevailing price.

For any purpose whatever, as well as for a basis of expropriation proceedings, earning power establishes value. The plant of a concern is worth nothing unless it can earn something; it is pretty fair to say, too, unless the plant can earn something in the enterprise for which it is intended; when production is so highly differentiated the plant is likely to be worth only an inconsequential part of its cost for any other undertaking.

Bondholders, then, must look for their security to earning power. The plant must earn enough to pay interest; it must earn enough to maintain the sinking fund to retire the bonds.

If there is no sinking fund the plant must earn sufficient to make an attractive enough showing to enable the company to refund the issue at maturity. If the plant will not earn enough to do these things the bondholder would find no consolation in the fact that it had cost ten times the amount of bonds issued.

As a subsidiary matter and in relation to earning power, the cost of plant, or the cost of duplication, does become important to the bondholder. That may have a very large bearing on the ability of the plant to maintain its earning power.

W. H. LYON.

CANADIAN CITY BONDS
YIELDING FROM 4% TO 4¾%

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Range of Prices for Week Ending April 19th.

—	Closing Apr. 12	Open. Apr. 13	High.	Low.	Last.
Amalg. Copper Co.	93⅝	93½	94⅜	92¼	93¼
Am. Car & Foundry	36⅞	37½	37½	35⅜	36½
Am. Locomotive Co.	63¼	61½	63½	57¼	63
Am. Smelt. & Ref.	132⅝	131½	132½	123½	131¼
Am. Sugar Ref. Co.	125½	125¼	125¼	122	123¾
Am. Tobacco Co., pf.	92¼	92¼	92¾	91⅞	92¾
Am. Woolen Co.	30½	30	30	29½	30
Anaconda Cop. Min.	61	61	62⅝	59	61⅞
At., Top. & S.F.	95	94¾	94¾	92⅛	93¾
Atlantic Coast Line	103	102	102½	101	102½
Baltimore & Ohio	99½	99¼	99¼	96⅞	98
Brook. Rapid Transit	60	60	60⅛	56½	59
Canadian Pacific	175¼	175	178¾	173	174⅞
Chesapeake & Ohio	42	41½	42⅜	40¼	41½
Chi.. Great Western	13⅞	13⅜	13⅞	13	13
Chi., Mil. & St. Paul	134⅝	134½	134⅞	131	133⅜
C., C., C. & St. Louis	72¾	72¾	71	70	70
Chi. & Northwestern	151	150½	152½	148¾	152⅛
Colorado Fuel & Iron	35⅜	35⅞	35⅞	34¼	35⅛
Colorado & Southern	27½	27	27½	26	26⅜
Consolidated Gas	131	129	134¼	129	130¼
Delaware & Hudson	190½	189½	189½	185	186
Den. & Rio Grande	30½	30½	30½	28⅜	29¼
Dul., S.S. & At.	13	13	13¾	13¾	13¾
Erie	24½	24	24¼	22⅞	23½
Erie, 2d pf.	38⅜	38	38	35¼	37
General Electric	147½	147	148	145¼	145½
Great Northern, pf.	136¼	135⅜	135⅜	129⅞	133
Illinois Central	149	145	145	145	145
Interb.-Metropolitan	25	24	25½	24	25⅜
Internat. Paper Co.	14½	14¼	14¼	13¾	14¼
Louisville & Nash.	117¾	117	117	116	117
Mackay Companies	69	69	69⅜	68½	68½
Mackay Companies, pf.	....	....	69⅞	68½	68½
Mexican Central, pf.	22⅝	22⅝	22⅜	21⅛	21⅛
Minn. & St. Louis	49¼	49	49	49	49
M., St. P. & S.S.M.	109	104	104	104	104
M., St. P. & S.S.M., pf.	137	138	134½	131¾	134
Mo., Kan. & Texas	36¼	36	36⅜	35	36⅜
Missouri Pacific	74½	74¼	75	73¼	74¼
New York Central	119¼	119¼	119¼	117	118⅜
N.Y., Ont. & Western	38¼	38	38¼	37¾	38¼
Norfolk & Western	77	76⅜	76⅜	74	75
Northern Pacific	133⅜	132½	132½	126	131¼
Pennsylvania R.R.	125½	125¼	125½	122⅜	124
People's Gas, Chi.	92¾	92¾	92½	91½	92
Pullman Company	169	168½	168½	168	168
Railway Steel Spring	46	45	45	43¾	44
Reading	107½	107	107½	103½	106½
Rep. Iron & Steel	30	29	29¾	27½	28½
Rock Island Co.	21½	21½	21¾	20⅜	21½
Rock Island, pf.	50	50½	51	47½	48
St. Louis Southwestern	22½	22	22	20¾	21½
Sloss-Shef. Steel & Iron	53¾	53¼	53¼	52½	53
Southern Pacific	84⅜	83⅜	83⅜	79½	82½
South. Railway	21¼	21¼	21½	20½	21
Texas & Pacific	28	28	28¼	27⅜	27½
Union Pacific	137⅜	137⅜	137½	132⅜	136⅛
U.S. Rubber	43⅜	42¾	43	41¾	42½
U.S. Steel	38⅜	38	38¼	35⅜	37¼
U.S. Steel, pf.	100¼	100⅛	101⅛	98⅜	100¼
Wabash	14⅜	14⅜	14½	14⅛	14¼
Western Union Tel.	82	82	....	....	....
Wisconsin Central, pf.	....	....	....	....	....

Railroad and Street Railway Earnings

Gross Earnings

—	Week ending	1907.	1906.	Changes.	From date mentioned to the last week for which earnings have been reported. Date.	1907.	1906.	Changes.
Canadian Northern	April 14	129,300 00	127,400 00	plus 1,900 00	July 1	5,320,500 00	4,045,200 00	plus 1,275,300 00
Canadian Pacific	April 14	1,479,000 00	1,308,000 00	plus 171,000 00	July 1	54,505,000 00	47,282,000 00	plus 7,223,000 00
Duluth, S.S. & Atlantic	April 7	56,339 00	54,960 00	plus 1,379 00	July 1	2,462,475 00	2,328,579 00	plus 133,896 00
Grand Trunk System	April 7	823,466 00	733,924 00	plus 89,542 00	....	....	....	....
Grand Trunk System	April 14	889,001 00	765,373 00	plus 123,628 00	July 1	33,915,578 00	31,015,626 00	plus 2,899,952 00
Minn., St. P. & S.S.M. (Soo)	April 7	273,806 00	228,243 00	plus 45,563 00	July 1	9,444,408 00	8,897,660 00	plus 546,748 00
Detroit United	April 7	....	....	....	....	....	....	....
Halifax Electric Tram	April 14	....	....	....	....	....	....	....
Toledo Railways	April 14	27,308 09	26,372 42	plus 935 67	Jan. 1	401,379 97	362,066 35	plus 39,313 62
Toronto Railway Co.	April 7	57,721 84	49,123 07	plus 8,598 77	Jan. 1	810,699 30	729,597 42	plus 81,101 88
Twin City	April 7	109,389 00	97,709 00	plus 11,680 00	Jan. 1	1,455,304 00	1,294,128 00	plus 161,176 00

Net Earnings

—	FEBRUARY 1907	FEBRUARY 1906	Changes	Three months from January 1 1907	Three months from January 1 1906	Changes
Illinois Traction Co.						
Gross Railroad	206,695 93	145,351 13	plus 61,344 80	572,387 65	433,569 66	plus 138,817 99
Gas	21,482 32	19,973 64	plus 1,508 68	65,939 48	63,300 80	plus 2,638 68
Electric Light	43,177 97	40,606 90	plus 2,571 07	139,081 99	128,416 56	plus 10,665 43
Steam Heat	14,016 36	13,050 66	plus 965 70	47,281 87	43,014 83	plus 4,267 04
Miscellaneous	785 92	....	plus 785 92	2,908 21	....	plus 2,908 21
Total Gross	286,158 50	218,982 33	plus 67,176 17	827,599 20	668,301 85	plus 159,297 35
Expenses and Taxes	157,981 76	125,463 83	plus 32,517 93	469,919 06	368,706 81	plus 101,212 25
Net	128,176 74	93,518 50	plus 34,658 24	357,680 14	299,595 04	plus 58,085 10

A despatch from Rossland says the usual quarterly dividend of 2½ per cent. on capital stock of the Consolidated Mining & Smelting Company of Canada was declared on Friday, which is payable on May 1. Dividend amounts to about $120,000. This is the sixth dividend declared by the company, and up to date it has disbursed dividends aggregating a little over $700,000. Following are the shipments for the week: Centre Star, 1,350; Leroi, 2,135; Leroi No. 2, 385; White Bear, 35; White Bear (milled), 350. Total for week, 4,255, and for year to date, 71,492. At the Trail smelter receipts of ore for the week, 4,790 tons.

The Shawinigan Water and Power Company announces that the earnings during the month of February were $42,571, as compared with $27,078 in the corresponding month of 1906.

The directors of the British Columbia Electric Railway at a meeting held in London this week recommend a dividend at the rate of seven per cent. per annum on the deferred ordinary stock for the half-year ending December 31, 1906.

A COMMERCIAL DEBAUCH

FROM WHICH THE COUNTRY IS NOW RECOVERING.

Money Has Been Too Easily Obtainable—Retrenchment is Next in Order—People Do Not Want Stocks—The Public Demand Has Long Ceased—A Test Rally Worked by Big Interests—Its Unfruitful Result.

New York, April 17:—About two weeks ago big capitalists who have long been interested in Wall Street stocks made a practical test of the present condition of the market. Millions of dollars were involved. When stocks were at the lowest prices touched this year, large purchases were made. This was done in a tentative way. The object was to see if prices could not be systematically carried up to the high level of 1907, and by manipulation gradually coax the public into the game, as has been so successfully done in former years. At first the public mistook the rally in prices for the result of short covering. It is true short covering helped, but it took more than that to bring about recoveries of 20 points in leading stocks. When Union Pacific touched 145 it was perceived that the public refused to be tempted.

An Unhealthy Condition.

These capitalists concluded that it was useless. They could distribute a few lots of stock but the game was on too small a scale to bother with, the word was given that support was to be withdrawn, and it was a case of dog eat dog. The losses were again made by professionals not in the scheme to advance prices. The public lost little. They were not in the market to any extent. This was a practical way of helping the market out of the condition into which it had drifted. It was much better than the academic methods now being pursued by leading business men.

Talking Good Times.

It appears very much like a tactical mistake on the part of Standard Oil magnates and other prominent financiers to keep interviewing themselves and having the results printed in the newspapers about the good times the country is now enjoying. No one has said anything to the contrary. The only contradiction comes from the downward course of prices in Wall Street, that "business barometer" in which everyone has lost confidence. If times are good it is not necessary for any one to tell us so. Prosperity is like the gentle rain of heaven falling impartially on all; everyone feels it more or less. It makes its very presence felt in the atmosphere.

A Temporary Retrenchment.

It is right and desirable that the business booms should not go forward indefinitely unchecked. A little conservatism, such as is now being experienced, will prove the safeguard of business and financial conditions of this country. Money has been so plentiful and so easily obtainable for several years that the people, the whole country in fact, has been on a sort of a commercial debauch. This is being realized now and we are having a healthy period of retrenchment. individually, commercially. financially. The banks are less desirous of financing or helping to finance big schemes or projects of improvement. Manufacturers are advising caution. The individual is taking stock and in many instances drawing his purse strings a little closer. All this gives breathing time and an opportunity for everyone to take stock of the future and its requirements and in the absence of any further inflation of values and discounting of the future, conditions will be all the more healthy as a result of this conservatism.

The Course of Stocks.

Meantime prices in the stock market have been suffering. It is freely predicted that what the market needs more than anything else is a tonic and that another good break would be the best thing that could happen to it. This sort of talk is heard oftenest from the bears, and of course what they say about prices should on general principles be taken cum grano salis. But similar expressions are heard in other quarters where the sentiment is not dictated by the cloven hoof.

Demand for Stocks.

The buying and selling of stocks must be conducted like any other business in which a demand and a supply are the essential elements of business. In any of the commodity markets, speculative or otherwise, the buyers and the sellers must get together. When the supply exceeds the demand the prices must decline till they meet the views of the buyers. Under any other conditions there can be no transactions. The fact that the public is practically out of the stock market at present and has been out of it for many months makes it quite clear that prices are away above their views. The public will come into the market and stocks will be distributed far and wide, but it will not be till prices seek a lower level. Not a few take the view that there will be a steady drift or crumbling of values toward that level.

Dividends.

Perhaps before the public really enter the security market in earnest and make investment purchases, it will have to be practically demonstrated to their satisfaction that high-priced railroad stocks paying high dividends, as some are doing at present, will be in a position to maintain such disbursements to shareholders. The cost of operation has been greatly increased by the greater cost of labor. This has been largely offset by the large increases that have been made this spring in freight charges. If the railroads can continue for an indefinite length of time to maintain their present freight rates, a good many stocks selling round present prices may look reasonably cheap. But can they?

Market Influences.

As foreshadowed in these letters some weeks ago, the crops are becoming more of a factor now. Frosts and green bugs will doubtless be followed by early summer drought or rumors of such a thing and the wheat market will undoubtedly in the next couple of months have troubles of its own which will be reflected in stock prices. It is a fact that should not, however, be overlooked that the crops of this country are so varied that a complete crop failure in all departments is well nigh impossible. The worst that can happen it would seem is a partial failure to some one staple crop.

Presidential Campaign.

It is a long time since there was so much uncertainty about the presidential candidates. The outlook, politically, is puzzling in the extreme. The uncertainty is unsettling to business. Not only is there the question if the next president is likely to be ultra conservative or ultra radical, but there is the question of tariff reform and whether the next Congress will tackle it. This is a matter that has been readily and gladly shelved for the next Congress by both the great parties, but it will be bound to come up for decision after the next election. That adds to the uncertainty of an uncertain future.

Roosevelt-Harriman Fight.

Everyone is wondering what will be the next move of the president. No one believes that he has given up his fight against the railroads. Rather, everyone is watching for the next move. It seems certain that there will soon be federal action to compel Mr. Harriman to tell a few interesting things he knows regarding railway finance. A successful effort in that direction may cause a further unsettling of the market. Harriman will, of course, put up a fight to preserve his attitude of reticence.

Money.

The easier conditions of money that have prevailed this month are not having much influence marketwise. The market is not suffering from a scarcity of money at the moment. It is not the lack of money to buy stocks that is worrying those who have stocks for sale. It is the lack of desire on the part of investors.

A. J. CANUCK.

THE CROP SITUATION.

Prospects Generally are not Favorable—Possible Drought Serious.

Considering the stock market from every viewpoint the penultimate value of stocks in 1907 relies largely upon the crop situation. It is too early, as far as the Northwest of Canada is concerned, to estimate the prospect. The severe weather and the traffic prostration will, however, prevent the extension of cultivation and the increase in acreage will not be as large as expected. In eastern Canada the winter situation has not been favorable. The frost has gone deeper into the ground than for many years, and the snowfall has been less in proportion. Old-time prophets are not sanguine. In Texas and Oklahoma a new pest to wheat has appeared, the "green bug," whose inroads were announced in The Financial Post some weeks before the U. S. Government report noticed him and the wires became lambent with questions about him. Our Texan correspondent advises that while that prolific and variegated country can produce cotton or some other crop to offset the destruction of the winter wheat, all signs point to a year of drought. Such a prospect, if consummated, is fatal to the southwestern States.

The U.S. Government crop report as of the beginning of April is distinctly favorable but the wheat market showed no confidence in it. In fact, at the date of its insurance, ten days later, namely, April 10th, there was a feeling in Minneapolis which is the centre of the milling business, that conditions had intervened unfavorably. The Financial Post's southwestern correspondent is pessimistic on the crop situation. The northwestern millers are in a measure dependent on the southwestern farmers. If rust affects their own crop, they must secure high-grade wheat from the southwest or from Northwest Canada. The southwestern States sell from 8,000,000 to 12,000,000 bushels of their choicest product to Minneapolis. It seems to be settled, in spite of the U.S. Government report, that any chances of a bumper crop from the southwest are gone, So far, speaking from a point of view, over both sides of the border, conditions are not encouraging. At the same time any fear of an old-time crop failure may be dispelled, owing to the great diversity of farming operations and the improvement which increased settlement produces on farming.

On this subject a keen observer of material conditions, Mr. H. H. Rogers, of the Standard Oil Company, has this to say:

"I cannot believe there will be any serious interference with the tide of prosperity the whole nation has experienced for a number of years past. The earth is yielding wealth as never before. Not only have vast quantities of gold and other metals been taken from the ground in recent years, copper, iron, coal, etc., but diversification in agricultural products has had an important part in bringing a new and more permanent prosperity to the people. Take the case of the Red River country of the north. When wheat was so nearly the sole crop raised up there that it formed the major part of the freight hauled by the St. Paul road, a bad crop year meant ruin for the farmers and great loss to the railroad, To-day the relation that wheat bears to the total freight traffic of this road is 50 per cent. less than it was 20 years ago; ruinous crop failures do not occur along the line, and the road is uniformly prosperous. I understand the south has similarly learned the lesson of diversification, with the result that you never were so prosperous in that important section, and that the same conditions exist in the west."

THE DOMINION BANK

A TEN YEARS' RECORD OF SURPRISING GROWTH.

With the New Issue It Has Four Millions Capital, Five Millions Reserve—In Ten Years the Investment Return Has Averaged Over Six Per Cent.—Market Price of Stock Always High—A Safe and Promising Investment.

The Dominion Bank is one of the Canadian institutions whose record of growth in ten years is equalled by very few others, and is illustrated by the fact that since 1897 the capital has risen from $1,500,000 to $4,000,000 and the rest increased from $1,500,000 to $5,000,000 after the new issue of capital has been paid in. As its shares, on account of its reserve being at least equal to its capital, and in recent years well in excess, have always been among the highest priced of Canadian banks, an investment ten years ago does not show such brilliant results. The market price has always been high, but the return has been over six per cent. per annum, and to-day the stock offers an investment that is both safe and promising.

The decennial review of its resources, as tabulated by Messrs. A. E. Ames & Co., follows:

Year	Capital	Rest	Profit and loss balance	Circulation	Total deposits	Total liabilities to the public	Total assets
	$	$	$	$	$	$	$
1897....	1,500,000	1,500,000	30,000	956,000	10,719,000	11,804,000	15,011,000
1898....	1,500,000	1,500,000	32,000	1,264,000	13,027,000	14,447,000	17,671,000
1899....	1,500,000	1,500,000	43,000	1,329,000	15,294,000	16,680,000	19,957,000
1900....	1,500,000	1,500,000	62,000	1,473,000	15,790,000	17,504,000	20,824,000
1901....	2,440,000	2,440,000	100,000	1,791,000	18,578,000	20,368,000	25,623,000
1902....	2,500,000	2,500,000	205,000	2,228,000	20,863,000	23,484,000	29,000,000
1903....	2,984,000	2,984,000	353,000	2,630,000	23,390,000	27,070,000	33,792,000
1904....	3,000,000	3,500,000	135,000	2,690,000	29,700,000	32,390,000	39,226,000
1905....	3,000,000	3,500,000	249,000	2,652,000	34,083,000	37,429,000	44,404,000
1906....	3,000,000	3,900,000	29,000	2,692,000	36,876,000	42,491,000	49,694,000

It will be seen by the above that during the ten years and eight months the bank's

Capital	increased	....100 p.c.
Reserve	"	....160 "
Circulation	"	....182 "
Deposits	"	....244 "
Total assets	"	....231 "

During this period the total amount transferred to the reserve fund was $2,400,000, of which $1,500,000 was from premiums on new capital and $900,000 from earnings.

The total written off against bank premises account was $155,750, the fund standing at the end of December, 1906, at $950,000.

The main items, expressed in percentages, follow:

Year.	Prop. of rest to capital.	Prop. of rest to assets other than specie and Dom. notes.	Prop. of capital and rest to liabilities.	Rate of divd. paid.	Rate of earning on capital.	Rate of earning on average market price of stock.	Percentage of divid. on market price of stock.	Book value	Average price of shares (Calendar year.)
	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.		
1897......	100.	10.93	25.42	12	12.27	5.03	4.91	202	244
1898......	100.	9.19	20.76	12	12.16	4.80	4.74	202	253
1899......	100.	8.27	17.99	12	13.68	5.12	4.50	203	267
1900......	100.	7.90	17.14	12	14.22	5.80	4.90	204	245
1901......	100.	10.45	23.96	10½	14.12	5.44	4.35	204	241
1902......	100.	9.41	21.29	10	14.20	5.75	4.04	208	247
1903......	100.	9.68	22.05	10	15.03	6.39	4.25	212	235
1904......	116.66	8.70	20.06	10	15.32	6.43	4.20	221	238
1905......	116.66	8.56	17.36	10	16.34	6.30	3.86	225	259
1906......	130.	8.64	16.23	12	17.97	6.60	4.41	231	272

Increases in capital, issued pro rata to old shareholders, were made as follows:

June, 1900—2 shares in 3 at 200—market price, 233
Aug., 1902—1 share in 5 at 200—market price, 242

A shareholder taking his allotment of new shares and selling it at the market price at the time of issue would, therefore, have received from this source profits on the par value of his holding of 11 per cent. in 1900 and 4.20 per cent. in 1902, an average of 1.43 per cent. for the ten years and eight months.

To sum up, an investment made in 1897 in Dominion Bank stock at 244, the current price, and sold out in 1906 at 272, the current price, would have returned the investor his principal intact and 6.11 per cent. per annum interest, made up as follows: Average dividend return on original purchase price, 4.50 per cent.; return on purchase price from average annual increase in selling price of shares, 1.03 per cent.; average return from sales of allotment of new stock, .58 per cent. Of course an investor who held his investment prior to 1896, took up his subsequent allotments and still has them and his original holding, has received a somewhat greater advantage through the present market price being greater than the average at which his allotments would have been sold.

An issue of $1,000,000 new stock at 240 was made recently in the proportion of one share to every three, making its capital $4,000,000 and its reserve $5,000,000.

GRAND TRUNK PACIFIC

(Continued from page 3.)

Prince Rupert is also about 550 miles north of Vancouver, and on account of this northerly situation it is claimed that the new transcontinental railway will possess the shortest route from Liverpool to Asiatic ports by at least two days' sail, and this saving in distance will also be realized between American Atlantic ports and trans-Pacific points. Prince Rupert lies in the centre of the enormous salmon-fishing industry of British Columbia, being in the immediate vicinity of a large number of canneries, which ship their product throughout the world; and here is also to be found, off the banks of Queen Charlotte Islands, the finest halibut fishing that is known to exist, tons of which are being taken annually to supply Eastern American markets, and which traffic will be greatly augmented upon the completion of transportation facilities right at hand. Indeed, it can hardly be otherwise than that a goodly portion of the enormous traffic which will result in the future from the great development which has recently been taking place in this northern country will take the railway at the nearest point, and thus avail itself of the expeditious transportation thereby afforded, as against consuming many hours longer by water carriage to southerly ports. There has been obtained, in the interest of the railway company, at Prince Rupert and vicinity, upwards of twenty-five thousand acres of land, and, with the object of hastening progress to the utmost, the site of the new city is now occupied by a large engineering staff, who are making the topographical survey, with the expectation on the part of the company that it will be in position to open Prince Rupert to the public and place lots on the market for sale some time within the next six months. Inquiries are being received by the company from all parts of the world as to the opportunities that offer for locating at Prince Rupert, and when the announcement is made that the place will be opened Prince Rupert will undoubtedly experience a great rush to its inauguration. No more striking proof of the valuable asset possessed by the company in Port Rupert can be furnished than the fact that in all it will possess a possible dockage of 60 miles.

The Eastern Division.

The construction work of the eastern divison, which is in charge of the commissioners of the National Transcontinental Railway, extending from Winnipeg, passing through the city of Quebec to Moncton, New Brunswick, is also in hand, contracts having been let in 1906 for the construction of about 500 miles, and tenders for the construction of an additional 500 miles are now in the hands of the commissioners. At the inception of the Grand Trunk Pacific project the eastern division was regarded as the least promising portion of the undertaking, and for this reason the cost of the construction of the entire main line east of Winnipeg was undertaken by the Canadian Government, the agreement being that upon completion the Government will lease this section of the railway to the Grand Trunk Pacific Company for a period of fifty years, free of rental for the first seven years, after which the rental payable by the company to the Government will be 3 per cent on the cost of construction, the company being required to pay the operating expenses of the line from the time it is taken over. As explorations proceed through this territory, however, the impression is being rapidly dispelled that it will be unproductive. It may be appropriately designated as the mineral belt of Eastern Canada, wherein is located the now famous cobalt deposits, as well as nickel, copper and all the baser metals, and possessing large and valuable tracts of timber.

Enormous Area Opened Up.

In fact, taking the entire project as a whole, the reader can appreciate how difficult it was at the outset to comprehend the far-reaching effect and the enormous country that would be opened up by the accomplishment of so gigantic an undertaking, especially considering that a large portion of it was to pass through virgin country; but its gradual evolution is bearing witness from day to day that it will more than justify the wisdom of its promoters and stand as an everlasting monument to their enterprise and courage, and to the Grand Trunk Railway Company of Canada in thus further entrenching its position in the Dominion.

The highest price at which wheat ever sold was $2.85 per bushel in May, 1867.

The option which the C.P.R. had on the stock of the Quebec Railway, Light and Power Company expired on April 16th and was not taken up.

The village of Weston have voted on a by-law to raise debentures for the purchase and installing of an adequate fire protection to the amount of $1,500. Also to authorize the issue of debentures to the amount of $13,500 for the construction of sidewalks, etc.

The property owners of Shelburne village, (population 1,118) will vote on a by-law to raise by way of debentures, $50,000 for an electrical plant.

C. AND M. ELECTRIC

A TRACTION IN WHICH CANADIANS ARE INTERESTED.

A Well Conceived Project Ably Carried Out—It Operates Between Two Populous Cities—Covers a Territory of Three Million Inhabitants—Its Revenue-Producing Adjuncts—An Excellent System of Construction—Remarkable Advances in Revenue.

The Chicago & Milwaukee Electric Railway is a traction proposition in which Canadian capital has become largely interested. Of its bonds there are over $2,000,000 held in Canada and about half a million of its common stock. It is one of these foreign propositions whose prospects are so inviting that outside capital has been attracted. A considerable quantity of bonds have lately been sold in Amsterdam and very recently the Toronto firm of brokers interested in the system placed an offering in London. A review of its fiinancial statement which is now to hand becomes therefore interesting.

Designed from the outset to connect with an electric road the great cities of Chicago and Milwaukee, and to cover a territory which is hardly equalled on the continent in population and prosperity, serving in its eighty-five miles a rapidly increasing community of three million people, it had a most promising objective. That object appears to have been attained with a notable degree of success and the administration, judging by results, has been in most capable hands. Since last September the road has been running into Racine, and barring accidents, on the first of October this year, will have reached Milwaukee. It is now less than fifteen miles distant from that city.

It began at Evanston, the populous suburb on the northern boundary of Chicago. There have been the usual difficulties attendant upon an economic entrance into a large city, but now that the traction question has been settled in Chicago, it is stated authoritatively that in a short time the cars of the Chicago & Milwaukee Electric Railway will be running into the business centre of Chicago over the Northwestern elevated tracks.

It would seem that every advantage has been taken of the revenue-producing opportunities along the line. The road from Evanston skirts the westerly shore of Lake Michigan, which is the residential and recreation territory of the city of Chicago. A fine natural site was secured at Ravinia and there an amusement park of a high order, appealing to the excellent class of residents in the vicinity has proved in a short time a productive source of income. The line passes the naval station lately established by the United States Government beyond Lake Bluff upon which 1,000 men will be employed this year, and $2,000,000 out of a prospective total of $5,000,000 has been already appropriated. The company has made a contract with the Racine Stone Company, whose quarries and plants are located on the main line three miles north of Racine, for hauling its entire product of about 1,000 cubic yards of crushed stone per diem, assuring the company (it is stated in the report) a profit of $75,000 a year.

On Dec. 1, 1906, the company completed a contract with the U. S. Express Co. for operating the express business, from which the electric railroad is assured a profit of at least $25,000 per year.

The construction of the new road from Lake Bluff to Racine is entirely on private right-of-way not less than 100 feet wide through the cities, as well as through the country between cities and towns. The company holds perpetual and unlimited franchises in each of the cities and towns through which the road is built. The road is double-tracked throughout. The route is practically an air line between Chicago and Milwaukee, having a maximum of four-tenths of one per cent. grade and a maximum of one degree curve. All abutments and culverts are of concrete, built for four tracks. All bridges are of steel on concrete abutments and have a carrying capacity of 100,000-lb. cars; 80-lb. steel rails, laid on first quality white oak ties, 2 foot centres, continuous rail joints.

All the construction is planned for a four-tracked road—two for local service and two for fast express service.

Last year the company built a cut-off between Highland Park and Lake Forest, a distance of about two miles, all on private right-of-way, for four-track construction, eliminating two bad curves, thereby greatly reducing the time between the two cities. A number of new shelters and stations were built; the capacity of the power-house increased, and ten large interurban cars added to their equipment. The company also made other improvements along its entire line. $200,000 was expended last year for permanent improvements out of the surplus.

As the Chicago & Milwaukee Electric Railroad Company operates in the two States of Illinois and Wisconsin, in conformity with State law, a separate charter has been secured for the Wisconsin division which is leased to the Illinois Company. Thus far $5,000,000 of bonds have been issued on the Illinois division and $5,400,000 on the Wisconsin section. Further bonds on the latter division will necessarily be issued as the construction nears its completion. The capital stock covering the two companies is $5,000,000. The operating statement for the year 1906 is as follows:

Earnings.		
Passenger	$550,351 26	
Freight	305,450 77	
Express	13,750 82	
Miscellaneous	14,653 95	
		$884,206 80
Operating Expenses, Etc.		
Trainmen	$ 68,332 86	
Power and sub-station men	33,368 18	
Maintenance	56,885 08	
Fuel	65,549 99	
General operating expenses	132,046 96	
General expenses	11,213 89	
		366,396 96
Net earnings		517,809 84
Other income		31,791 63
Total net income for the year 1906		$549,601 47
Interest on bonds	$330,000 00	
Taxes and insurance	17,996 27	
		347,996 27
Net surplus for year 1906		$201,605 20
Surplus for 1905		301,333 45
Total surplus		$502,938 65

The revenue possibilities of the road are demonstrated in the following statement of net earnings:

Year		Amount	Inc. p.c.
1901	....	$ 97,156	
1902	....	110,746	13.98
1903	....	193,619	74.83
1904	....	285,617	47.51
1905	....	350,322	22.65
1906	....	517,809	47.80

The net earnings for the first two months of 1907 show an increase of 44 per cent.

Altogether the story is interesting and remarkable and is indicative of the possibilities in a well-conceived project ably carried out. The directors are: A. C. Frost, Chicago, president; Gordon A. Ramsay, Chicago, vice-president; Pierre G. Beach, Chicago; H. C. Osborne, Gwyn Francis, Toronto.

G. T. R. BENEFITS

By the Use of the G.T.P. Equipment—Views of the General Manager on His Return.

On his return from Great Britain this week Mr. Charles M. Hays referred with great satisfaction to the successful issue in February of Grand Trunk Pacific four per cent. debenture stock, to the amount of $5,000,000 at par. This is a part of the authorized $25,000,000 debenture stock for equipment. The new rolling stock will be utilized by the Grand Trunk Railway ntil it is needed on the G.T.P. Mr. Hays stated that already the G.T.R. was using 2,500 cars belonging to Pacific daughter. This was a most satisfactory price to obtain when many other roads were paying for accommodation all the way from five to ten per cent. According to Mr. Hays about seventy per cent. of the issue was taken up by shareholders in the G.T.R. Mr. Hays said the estimates for the year provided for the completion of the double track between Montreal and Chicago. All that practically remained to be done was ninety-seven miles between St. Lambert and St. Rosalie.

On the subject of the two-cent-a-mile agitation, Mr. Hays said:

"We are urged daily to improve facilities for the traveling public and we are anxious to do so, but at the same time there must be no effort to curtail the money-making power required by us. I refer particularly to the effort to reduce the fare to two cents. The rate must of necessity be fixed by competition. In every branch of commerce rates are so fixed. The opening of navigation, for instance, may make certain changes and so, as I say, that very competition fixes the rate. The grain crop fixed the price of grain."

The question of emigration to Canada was touched upon. "People are very anxious to come to Canada," he said. "Shortly before I left London I had a talk with the emigration commissioner, and said: 'Many people ask me about the cold weather in Canada and I say to them that right here in London there are more people die of cold and privation that there are in Canada.' That just about settles it. The commissioner told me that during March and April he knew, himself, of about 12,000 booked for a home in the Dominion."

The Quebec Government's tax of two cents for every hundred dollars or fraction thereof of the par value of stocks will be paid by the members of the Montreal Exchange except on sale for members of other exchanges, when the tax will be charged against the client.

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BANK SHARES

The 1907 edition of our "Study of Canadian Banks" has been put in booklet form. It contains statistical tables covering all the Banks, and individual analysis of each Bank, showing growth and investment value of shares.

A copy will be sent upon request.

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Bank Notes

The Dominion Bank will shortly open a branch in Berlin.

Mr. C. A. Bogert, general manager of the Dominion Bank, who has been in England chiefly on business, sails for Canada next week.

The transfer of the People's Bank of Fredericton to the Bank of Montreal, is being completed this week. There will be no further issue of People's Bank notes and the old currency will be retired as it comes in.

The Bank of Australasia in addition to its regular 12 per cent. dividend in 1906, distributed a bonus of 8 shillings per share making in all 14 per cent. per annum. The net profits for the half-year, ending Oct. 15th, 1906, were £170,500, an increase of £33,050 over the corresponding period in 1905.

James H. Eckels, president of the Commercial National Bank, Chicago, and comptroller of U.S. currency under Cleveland's administration, was found dead in bed at his home in Chicago, Sunday morning. Death was due to heart failure, from which he had been a sufferer for nine years. Mr. Eckels was a little over forty-eight years old. He was a young lawyer in Illinois when appointed comptroller by President Cleveland early in his second term, when the free silver craze was about at its height. Six months after his appointment his fiercest opponents praised him warmly for his success from the start. His estate is estimated at $500,000 or upwards.

Mr. Victor W. F. Heron, formerly of the Canadian Bank of Commerce, has been appointed manager of the Crown Bank, corner Spadina Ave. and College St., Toronto. Mr. Burnett Laing, whose sudden demise last week was much deplored, was the former manager.

THE WALL STREET JOURNAL
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THE SAO PAULO STATEMENT

THE COMPANY HAS MADE GREAT ADVANCES

In Capital Outlay—New Facilities Producing Greater Revenue Now Provided—Its Ability to Increase Dividends—It is Strong in Cash—Prospects in Southern Brazil are Most Encouraging.

Sao Paulo is the pioneer of the Latin-American companies and Canadian capitalists and all those interested in Rio and Mexican stocks watch with much interest the progress of this Brazilian undertaking which has thus far inured greatly to the profit of the Canadian investor. The financial statement presented at the annual meeting on April 16, shows gross earnings $2,018,703 ,an increase of $110,298 over the previous year. The net earnings were $1,368,162, or $94,329 of an increase over 1905, indicating a slightly lower cost in operation.

The development of Sao Paulo has involved largely increased capital expenditure, and during the year this amounted to $1,041,448. This was provided for by an additional issue of bonds, amounting to $500,000, and by additional stock, which, up to the end of the year 1906, was $527,236. On March 21st the last payment on this additional issue of $1,000,000 was due, and the paid-up capital is now, approximately, $8,500,000. With the additional facilities thus provided the company should be in good shape to increase its earnings largely, and, while fixed charges and dividends will involve an additional outlay of $105,000, this amount should be more than provided for by increased earnings.

With a net revenue, after payment of operating and fixed charges and taxes, of $1,008,280, and with dividends at 8 per cent., involving in the future $680,000, even if the company does not benefit greatly by the increased facilities, it is in a position to increase its dividend return. It is strong in cash, as the item of $327,680 of cash on hand indicates, and the reserve fund now stands at $1,000,000, with a surplus on profit and loss of $411,924.

As the company has now received, since the report was made up, nearly $500,000 in additional stock, it should be in a very satisfactory condition to meet future requirements.

The capital outlay was made on a new reservoir at Santa Amaro, a sixth generator and turbine, 13,000 feet of new track and more double tracks, and a storage battery. The report indicates that the physical properties are in a high state of efficiency. It speaks in glowing terms of the prospects in southern Brazil, which, it says, comprises some of the finest territory in the world ready for colonization. It will not be surprising if we see reproduced there in the near future a growth and development similar to that which the Argentine has experienced during the last decade.

All the Sao Paulo railways are extending farther and farther each year into the interior, and the City of Sao Paulo, as the chief distributing point for all this vast territory, should soon begin to show substantial results from the development of so large a district. Within a year these results should be very apparent, as all the states to the south, as far as the republic of Uruguay, should about that time be connected by rail with Sao Paulo.

The following statement shows the progress of the company. It will be noted that the number of lamps has shown a very considerable increase.

	1906.	1905.	1904.
Gross earnings	$2,018,703 92	$1,908,405	$1,419,338
Operating expenses and maintenance charges	650,541 15	634,573	460,558
Expense per cent. of earnings	32.2	33.	32.4
Net income	1,368,162 77	1,273,832	958,780
Net income, per cent. of capital	13.44	12.85	9.16
No. lamps in use	38,119	34,497	33,019
No. light customers	3,926	3,966	4,025
No. power customers	245	220	188
No. motors installed	398	336	279
No. H. P. contracted	4,900	4,076	3,297

These are the particulars of the income account compared with last year:

Income Account.

	1906.	1905.
Net after deducting expenses and fixed charges	$1,008,280	$962,627
Dividends	$ 599,970	$599,594
Contingent account	60,000	50,000
Profit and loss	348,310	313,033
Total	$1,008,280	$962,627

The balance sheet compares as follows with 1905:

Assets.

	1906	1905
Plant, real estate, etc.	$15,288,800	$14,247,351
Stores in hand	514,688	344,615
Acc'ts receivable	127,698	66,715
Cash in hand	327,680	122,202
	$16,258,847	$14,779,884

Liabilities.

	1906.	1905.
Capital stock paid	$8,026,636	$7,499,400
First mortgage five per cent. debentures	6,000,000	5,500,000
Accounts and wages payable	271,008	125,901
Accrued interest charges	25,000	21,354
Unredeemed tickets	488	997
Dividend No. 19	149,996	149,980
Reserve fund	1,000,000	....
Suspense exchange	257,809	298,696
Contingent account	106,171	79,350
Injuries and damages, insurance fund	9,812	....
Profit and loss	411,924	791,172
Surplus	....	313,032
Total	$16,258,847	$14,779,884

AN ENGLISH VIEW OF C.P.R.

SHARES NEVER DISTRIBUTED SO WIDELY AS NOW.

The Land Assets Must Soon Be Settled—A Tremendous Amount of Investment Buying Last Autumn—Are the Shares Worth 265?—The Financial Times Thinks So—The Disturbing Market Action.

The gambling in Canadian Pacific shares by certain prominent speculative groups in New York has recently resulted in a sharp shock to British investors, says the Financial Times. In our issue of Nov. 22 last, we went fully into the intrinsic position of Canadian Pacific shares, which then stood at 185½. We then showed that the immense value of the lands of the railway did not find reflection in the market price at all, because the land and railway assets and the revenue therefrom are wrapped up together. Moreover, no distribution of the proceeds of land sales has yet been made, apart from the distribution of $1 per share decided upon last Autumn, which is provided by interest on proceeds of land sold and does not represent the actual capital proceeds of land already sold, or the still greater value of that property still to be disposed of.

A value of $265.

At that time we also showed that a separation of the land from the railway assets might easily produce a market value of $265 per Canadian Pacific share, and the estimates upon which that valuation was made hold good today; indeed, the land has since appreciated considerably. By the 16th December last the price of Canadian Pacifics had risen to 208½ on an enormous demand from British investors. Since then the quotation has been subjected to the growing disturbance in the American market, but as recently as 1st March last the price was 188¼. By the middle of last month it declined to 177 "ex div.," and on the 23rd ultimo, when liquidation on both American and German account was at its worst, the price further fell to 164. Staid investors do not like to see their holdings tossed about in this fashion, and probably some holders were scared into realizing against their better judgment. But other bolder spirits have come forward and taken advantage of the tempting price, so that as the result of an enormous business, largely on account of bona fide investors, the price has recovered very considerably from the worst in the past ten days.

A Disturbing Recovery.

Even the character of the recovery, so far as New York is concerned, has been somewhat disturbing to humdrum investors, in so far as it revealed continued excessive speculative manipulation in that centre. On Good Friday the price was rushed up 14¾ points in Wall St. and on the following Monday further advantage was taken of London's holiday to put on another 2 points. So that on Tuesday last, when London resumed business, it was confronted by a parity price of nearly 190, as against a closing price on the previous Thursday, when the adjournment over Easter took place, of only about 174. The artificiality of the advance was recognized here to some extent by the fact that the price opened on Tuesday at only about 184. A reaction took place again yesterday, which showed that Wall St. had been far too precipitate in rushing up the price to the equivalent of nearly 190 in London. It is difficult to disregard these pyrotechnic displays, but real investors may take comfort from the reflection that American interest in the Canadian Pacific is much smaller than it used to be Indeed, the common stock of this line was probably never so widely distributed among the British investing public as it is today, in spite of the hampering tax which compels a buyer of less than ten shares (costing, say, £360) to pay a premium of about $2 a share.

Stock Widely Distributed.

If anyone ventures to doubt the widespread and practical interest taken in these shares, let him examine a file of the stock exchange official last for the last week or two, and he will find that the "markings" of business done in them far outnumber those in any other security to be found there.

The Intrinsic Value.

The intrinsic position of the Canadian Pacific to date certainly shows no deterioration. The official statement of results to Dec. 31 last indicated that the surplus for the six months was $6,600,000 after paying a dividend of 6 per cent. per annum from the railway profits, to which was added ½ per cent. in respect of land profits. This figure, of course, is quite exclusive of the proceeds of land sales. After providing the increased charges and the dividend on new stock, the six months from July to December last yielded an increased surplus of $1,800,000, or, say, a further ½ per cent. for the year on the common stock. Up to the close of last year, therefore, the company earned at the rate of 15½ per cent. on its entire capital stock from the railway alone, and in the year 1905-6 the land profits were equal to 6 per cent., or, say, 21½ per cent. in all. Owing to decidedly bad weather in January and February of this year there were net decreases of $719,000 and $584,000 respectively, but the gross receipts in March have shown decided improvement, and by the close of the financial year of the company on 30th June next these temporary losses will probably be restored. The outlook from the revenue point of view is better than ever. But, after all, the real question is when will the board see fit to deal with the magnificent land assets of the company, which on a modest estimate, are worth from 15 to 20 millions sterling, whilst the entire common stock of the company is only about 24 millions sterling. Some scheme is virtually promised, but no definite time has been fixed for its appearance, though the present Spring is generally expected to witness some official steps in the matter. At the present time the yield on Canadian Pacifics is about 4 per cent., but the prospect of a very handsome bonus from the land helps to eke out this rather modest return. Moreover, less than half the railway profits are being appropriated for dividends at present.

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Canadian Stocks

Quotations of Securities listed on the Montreal and Toronto Stock Exchanges, with prices at closing on Friday of each week. In stocks listed on both Exchanges, prices quoted are those of the market in which a stock is the more active.

Active Stocks

Range for year 1905		Range for year 1906				Friday, April 19		STOCK	Par Value	Outstanding Common Stock	Outstanding Preferred Stock	Bonds	Reserve	Last Dividend		Range for week ending Apr. 18, in market of activity				Closing one year ago, April 19		Sales week ending April 18
High	Low	High	Date	Low	Date	Ask	Bid							Date	Per cent.	First	High	Low	Last	Ask	Bid	
								BANKS														
170½	155½	190½	Oct.	169½	Jan.	174		Commerce	50	10,000,000			5,000,000	1st Dec, s.-a. and bonus	3½ 1	173	173½	172	173	179	178	341
270	248	283	Jan.	262½	*Dec.	245	244	Dominion	50	3,000,000			3,900,000	1st Apr. q.	3	245	245	243½	245	275	270	41
219	213	233	May	210	Dec.			Hamilton	100	2,470,210			2,470,210	1st Mar. q.	2½	206½	206½	205	205	229	....	31
242	226	254½	May	225	Dec.	222½		Imperial	100	4,926,000			4,674,991	1st Feb. q.	2½	224	225	224	225	....	....	54
172½	160	176	Oct.	160½	Jan.		164	Merchants	100	6,000,000			3,600,000	1st Dec. q.	2	165	165	163½	163½	170	169	
		202⅛	Mar.	192	Dec.			Metropolitan	100	1,000,000			1,000,000	1st Apr. q.	2					....	....	
230	220	230	Mar.	204½	†Dec.	205	203	Molsons	100	3,180,820			3,000,000	1st Apr. q.	2½	205	205	203	203	226½	226	34
261	250	261	Feb.	252¼	Sept.			Montreal	100	14,400,000			11,000,000	1st Mar. q.	3½	247	248	246	246	259	257¼	50
285	261¼	297½	Nov.	273	July.	292		Nova Scotia	100	3,000,000			5,250,000	1st Apr. q.	3	290	290	290	290	276	270	5
230	215	233	May	222	Dec.	226		Ottawa	100	3,000,000			3,000,000	1st Mar. s.	5					230	228	
143	127½	145	June	139½	Jan.			Quebec	100	2,500,000			1,150,000	1st Mar. q.	1¾	135	135	135	135	145	142	5
229	209¼	247½	Nov.	222	Mar.			Royal	100	3,900,000			4,390,000	1st Apr. q.	2½						223	
132½	131½	155¼	Mar.	133	Dec.	119		Sovereign	100	3,986,680			1,255,950	16th Feb. q.	1½	122½	122½	122	122	146	144	15
238	218	250¼	June	223	†April			Standard	50	1,505,675			1,605,675	1st Mar. q.	3	221	221	221	221	235	231	44
246	226	251	Feb.	222	Dec.	220		Toronto	100	3,975,190			4,475,190	1st Mar. s.	5	220	220	220	220	248	246	23
146	133	155	Mar.	138½	*Dec.	139	136	Traders	100	4,332,406			1,900,000	1st Apr. q.	1¾	139	139	139	139	149	...	11
147¼	139¾	158	Oct.	143¼	Jan.			Union	100	3,000,000			1,500,000	1st Dec. s.	4	147	147	147	147	152	151	15
								TRANSPORTATION														
177	131	201	Dec.	155¾	May	175½	175¼	Canadian Pacific Railway	100	121,680,000	37,853,333	89,200,459		1st Apr. s.	3½	174⅜	174⅜	173¼	177	172⅝	172	40
96½	75½	102	Feb.	79¼	Dec.	75¾	74¼	Detroit United	100	12,500,000		20,387,000	1,431,155	1st Feb. q.	1¼	75½	75¾	73¾	74½	97½	97⅛	609
41⅛	10⅛	21	Aug.	16¾	July			Duluth	100	12,000,000	10,000,000									21½	20½	
110¼	100	108	Jan.	100	Oct.			Halifax Electric	100	1,350,000		00,000	195,000	1st Apr. q.	1½					104	101	
38	14	50	Aug.	35	Mar.	35		Havana Electric	100	7,500,000		8,..1,036								41½	41	
97⅛	79	97⅛	May.	79	Jan.	75¾		Havana Electric, preferred	100		5,000,000			15th Apr. q.	1					83	80	
		101½	Feb.	88½	*Dec.	89	87½	Illinois Traction, preferred	100	5,810,000	2,240,000	11,241,500		1st Apr. q.	1½	89¾	89¾	89	89	98½	97½	116
145	189½					107½	102½	Minn., St. P. and Sault Ste. Marie	100	14,000,000	7,000,000	44,295,000		15th Oct. s.	2					156	154⅞	
240½	212	284	Aug.	211	†Dec.	212		Montreal Street	100	9,000,000		2,473,333	524,770	1st Feb. q.	2½	210	212	210	212	273¾	273¼	208
83	57½	110¼	Nov.	80½	Jan.		92	Northern Navigation	100	840,000			71,184	19th Jan. a.	6+1½					88½	....	
		33¼	Feb.	27	*Dec.	30	26½	Northern Ohio Traction	100	6,900,000		6,375,000		15th Mar. q.	½						31½	
76½	61½	88¼	Oct.	69¾	Jan.	79	76	Richelieu and Ontario	100	3,132,000		222,406	254,660	1st Mar. q.	1¼					85	83	
		48	Nov.	38½	Oct.	42½	42	Rio de Janeiro	100	21,993,900		20,900,000				43¼	43¼	42½	42⅞	....	....	1,316
142¼	106½	146	Feb.	125	Oct.	125¼		Sao Paulo	100	7,500,000		5,500,000		1st Apr. q.	2	126	126½	125½	125½	141⅛	141	1,196
35½	21	36¼	Jan.	25	Dec.			Toledo Railway	100	12,000,000		10,854,000		2nd Nov. s.	1	26½	26½	25¾	25¾	35	34	228
112½	103	126	Mar.	112	*Dec.	105⅝		Toronto Railway	100	8,000,000		3,613,000	1,918,322	1st Apr. q.	1½	107	107	105½	106	123	121	180
		95	Nov.	88½	*Dec.	87		Tri-City. preferred	100	9,000,000	2,600,000		6,464,000	1st Nov. q.	1½	85⅞	87	85⅞	87	....	....	45
95¾	78	92	Mar.	80	Dec.			Trinidad Electric	100	1,164,000			720,000	10th Apr. q.	1¼					90	....	
122½	104¾	122¼	Jan.	102½	Dec.	96	95⅝	Twin City	100	18,000,000	3,000,000	15,566,000	1,010,205	15th Feb. q.	1¼	96½	96½	94½	95½	118	....	617
192½	114½	190	Mar.	160	Oct.		74	Winnipeg Electric	100	4,000,000		3,500,000	686,934	1st Apr. q.	2	177	177	176	176	190	...	175
130	100	148	Dec.	120	Jan.		125	St. Lawrence & Chicago Steam Nav.Co.	100	563,300		115,996		1st Jan. s.	10	125	125	125	125	....	128	5
								TELEGRAPH, LIGHT AND POWER														
162	149	158¾	Feb.	145	*Dec.			Bell Telephone	100	9,980,800		2,325,000	3,382,879	15th April q.	2	130	130	129¾	130	157	153	96
214	206	209	Mar.	200	*Oct.	201		Consumers Gas	50	2,500,000			973,155	1st Feb. q.	2½	199¾	199¾	199¾	199¾	....	203	20
60	37	77⅛	June	57⅛	Jan.	69¼	69	Mackay, common	100	41,380,400				1st Apr. q.	1	69½	69⅜	68½	69	63⅜	63	610
76½	71¼	76⅛	June	68	Dec.	70	68½	Mackay, preferred	100		50,000,000			1st Apr. q.	1	68½	69½	68½	69½	73¼	73	97
93	77¾	99½	Nov.	86	May	92	91¾	Montreal Power	100	17,000,000		846,000		15th Feb. q.	1¼	92½	92¾	91½	91¾	93¾	93¼	682
70	66½	70	Jan.	47½	Oct.	50	48⅝	Mexican Light and Power Co.	100	13,600,000		12,000,000				50¼	50¼	49	49	64	63½	495
162¼	145½	171	Nov.	152	July			Toronto Electric Light	100	2,997,900		1,000,000	500,000	1st Apr. q.	2					154	153¼	
								INDUSTRIALS AND MISCELLANEOUS														
178	136⅞	155	Jan.	130	Oct.	132	131	Canadian General Electric	100	4,700,000	300,000		1,671,082	31st Dec. q.	2½	127	131⅛	127	131⅛	149	....	503
28¾	16¾	34¼	April	20½	Nov.	19¾	19	Dominion Steel, common	100	20,000,000		10,044,833				20½	21½	19	19	32	31⅞	470
75¾	60¼	83½	May	60	Nov.	52½	50¾	Dominion Steel, preferred	100	5,000,000						50¼	51	50¼	51	82	80	280
86½	59⅞	84½	Feb.	58	Nov.	57½	57	Dominion Coal	100	15,000,000						59	59	59	59	79	77	75
119	114	122	Mar.	112	Nov.			Dominion Coal, preferred	100	3,000,000		5,691,198		1st Feb. s.	3½					122½	120	
104½	80	109¾	Mar.	95¼	Nov.	92	91	Dominion Textile,, preferred	100	7,500,000	1,940,000		b 6,966,660	15th April q.	1¾	93	93	93	93	106	*105	4
118	88	100	Sept.	89	Jan.			Lake of Woods Milling	100	2,000,000				3rd Oct. s.	3	75¼	77	75	76	97	91	243
122	110	115	Sept.	108	Dec.			Lake of Woods Milling, preferred	100		1,500,000			28th Feb. q.	1¾	109	109	109	109	115	111	6
110	60	114	Jan.	97	Oct.			Montreal Steel	100	700,000				8th Jan. bal.	4½	96	96	96	96	109½	....	31
119	99	115	Feb.	106	Nov.			Montreal Steel, preferred	100		800,000			8th Jan. q.	1¾							
9½	51¼	74½	Feb.	60	May	71½	71	Nova Scotia Steel, common	100	5,000,000			b 3,838,000			71½	72½	71½	71½	65	64	70
122	109¾	125	Aug.	118	*Jan.			Nova Scotia Steel, preferred	100		1,030,000			15th April q.	2					120	118	
								Ogilvie Flour	100	1,250,000		1,000,000		Sept. a.	7					....	250	
140	124½	130	Jan.	123	Dec.	122½	115	Ogilvie Flour, preferred	100		2,000,000			1st Mar. q.	1¾	116	116	116	116	130	126	25
							12⅞	a Nipissing Mines Co.	5	6,000,000				20th Jan. q.	3x2	13⅝	13⅝	12⅞	13	....	....	205

*Ex-div. †Ex-allotment a—Quotations per $5 share. ° Less than ten shares.

Inactive Stocks

Latest price		STOCK	Par Value	Common Stock Outstanding	Bonds or Preferred Stock Outstanding	Reserve	Last Dividend		Range for year 1906		Last Sale
Ask	Bid						Date	Per cent.	High	Low	
		BANKS									
	151	British North America	243	4,866,666		2,141,333	5th Oct. s.	3	146⅛	141	153½
		Eastern Townships	100	2,945,400		1,860,010	1st Apr. q.	2	163¼	160	160
150	146	Hochelaga	100	2,000,000		1,600,000	1st Mch q.	2	163	†144	149
		Nationale	30	1,653,525		600,000	1st Mch q.	1¾	124	121	120
		New Brunswick	100	707,200		1,191,830	1st Apr. q.	3			272
		LOAN AND TRUST									
	122	Agricultural Loan	50	630,200		283,000	2nd Jan. s.	3			
124		Canada Landed	100	1,004,000		505,000	2nd Jan. s.	3 plus 1	125	117½	124
	125	Canada Permanent	10	6,000,000		2,450,000	1st Jan. s.	3	131	124	125
	160	Central Canada	100	1,500,000		1,050,000	1st Apr. q.	2	172	160	165
	73	Col. Investment, preferred	10	2,398,701		119,808	1st Jan. s.	3	89	75	74
	71	Dominion Savings	50	934,597		90,000	31st Dec. s.	2	73	70	71
	123	Hamilton Provident	100	1,100,000		490,000	2nd Jan. s.	3	124	120	122
	185	Huron and Erie	50	1,900,000		1,525,000	2nd Jan. s.	4½	188½	183	185½
		Imperial Loan	100	735,481		78,720	2nd Jan. s.	2½	70	70	70
	124	Landed Banking	100	700,000		310,000	2nd Jan. s.	3	125	121	122
108		London and Canadian Loan	50	1,000,000		245,000	2nd Jan. s.	3	111¼	105	107
		London Loan and Savings	50	686,891		134,000	1st Jan. s.	3			
		Montreal Loan	25	500,000		400,000	15th Mar. s.	3½	138	*133¼	133
		North of Scotland	£10	£50,000		£35,000	5 s. plus	2½			
	158½	National Trust	100	1,000,000		450,000	2nd Apr.	1¾	157	155	160
	134½	Ontario Loan and Debenture	50	1,200,000		685,000	2nd Jan. s.	3¼	140	128¼	135
		Real Estate Loan	40	373,720		65,000	2nd Jan. s.	2½ plus ½	90	85	89½
		Toronto General Trusts	100	1,000,000		375,000	2nd Jan. s.	3¾	160	140	*150
	110	Toronto Mortgage Co	50	724,550		305,000	2nd Jan. s.	3	115½	105½	111
		Toronto Savings	100	1,000,000		580,000	1st Apr. q.	1½			

Latest price		STOCK	Par Value	Common Stock Outstanding	Bonds or Preferred Stock Outstanding	Reserve	Last Dividend		Range for year 1906		Last Sale
Ask	Bid						Date	Per cent.	High	Low	
		OTHER COMPANIES									
		British America Assurance	25	848,226		191,787	3 °/o passed		98	97	97
		British Columbia Packers, pfd	100	1,511,400	1,270,000		3½ for 6 mos. May 20, '05		80½	59¾	80
55	49	Canada Col. Cotton	100	2,700,000	b 2,000,000		15 Mch	1	60	45	55
		Canada Life Assurance	400	1,000,000			1st Oct.	4	163	163	155
		Canadian Converters, Limited	100				Feb. q.	1	60	60	60
		Canadian Salt	100	500,000			1st Apr. q.	2	110¼	*108	108
		Canada North-West Land	12½	733,841			a		500	400	435
37		City Dairy	100	565,000		7,500	31st Dec. q.		38	21¾	35
90		City Dairy, preferred	100	271,620			2nd Apr.	1¾	94¼	*82¾	90
		Confederation Life Association	100	100,000			1st Jan. s.	7½	285	272½	285
	120	Dominion Telegraph	50	1,000,000			15th Apr. q.	1½	121	*119	120
		Hamilton Electric Power, pfd	100	1,700,000	2,895,700		15th Jan. s.	2½			
		Imperial Life Assurance	100	450,000			1st Apr. q.	1½	149	149	150
		Intercolonial Coal	100	500,000	b 242.500	90,474	Mch. s.	3½	90	84	85
		Intercolonial Coal, preferred	100		219,700		Mch. s.	3			100¼
		Laurentide Paper	100	1,600,000			1st Feb. s.	3	107½	89½	90
		Laurentide Paper, preferred	100		1,200,000		1st Apr. q.	1¾	114½	100½	104
		London Electric	100	404,610		75,000	1st Dec. s.	3	95	89¾	89¾
		London Street	40	500,000	b 550,000		31st Dec. s.	3¾	97¼	97¼	97¼
123	118	Montreal Cotton	100	3,000,000	b 350,000		15th Mch q.	1¾	135	122	122
160½		Montreal Telegraph	40	2,000,000			15th Jan. q.	2	171	162	159
	123	Niagara Navigation	100	701,300	b 111,000	98,000	2nd Jan. s.	4	133½	117	120
	75	Niagara, St. Cath. and Toronto	100	925,000					80	75	80
		Ottawa Electric Railway	100	998,200		199,564	2nd Apr. q.	2			
		Western Assurance	20	1,500,000		419,836	passed		98	96	96
		Windsor Hotel	100	600,000	b 1,100,000		Dec. s. 4 plus 1		*105	100	107½

NOTE.—s.—semi-annual; q.—quarterly; plus indicates bonus; b. means bonds.

°—Less than ten shares. a—$12 50 per share return of capital payable March 15, 1907.

U. P. IN NEED OF CASH

(Continued from page 1.)

In the foregoing figures such current assets as advances for the acquisition and construction of new lines amounting to $23,000,000 and payments on account of the San Pedro amounting to $17,000,000, and advances to ocean steamships and for rolling stock, amounting to $11,000,000, aggregating on the whole more than $50,000,000, are not taken into account.

In the ordinary course the advances for the construction of new lines would be reimbursed the Union Pacific treasury by some new financing.

The figures above touch only one phase of the call on the Union Pacific for cash during the present fiscal year, viz.: That of paying for securities bought. On the other hand, the Union Pacific has been doing a great deal of construction work and has for delivery this year equipment calling for $13,000,000.

The annual report of June 30 stated that the cost of lines under construction, new equipment, etc., aggregated $50,000,000. Place on top of these payments yet to be made on account of securities and the total cash requirements of the Union Pacific appear to be fully $75,000,000, if not nearer $100,000,000.

The mis-step in the Union Pacific financing was in figuring when the securities were bought that the Hill stocks were going to retain their market prices of last Summer. Had that been so, the balance of the Hill stocks now held could be sold to yield nearly $40,000,000, or enough to pay for all the securities bought with a considerable surplus to spare.

At any rate it becomes apparent now that the Union Pacific has need for at the very lowest $50,000,000, or $75,000,000, and the chances are that the real amount is nearer $100,000,000.

THE BOND MARKET

Week Ending April 19th, 1907.

BONDS	Rate	Closing		Sales Week April 18
		Asked	Bid	$
Bell Telephone Co.	5	104		24,000
Can. Colored Cotton Mills Co.	6	98	95	2,000
Commercial Cable Co.	4			
Dominion Coal Co.	5			
Dominion Cotton Mills Co.	6	95½	94	2,000
Dominion Iron & Steel Co.	5	76	75	17,000
Dominion Textile Co., Series A.	6	92	87	500
Do. Do. Series B.	6		87	
Do. Do. Series C.	6	87½	86½	3,000
Do. Do. Series D.	6	95	88	
Electrical Development Co.	5	79½		7,000
Halifax Electric Tramway Co.	5			
Havana Electric Railway Co.	5		75¾	
Intercolonial Coal Co.	5			
Lake of the Woods Milling Co.	6	106½		
Laurentide Paper Co.	6			
Magdalen Islands	6			
Mexican Electric Light Co.	5	75¾		2,000
Mexican Light & Power Co.	5	80	79	14,000
Montreal Light, Heat & Power Co.	4½			
Montreal Street Railway Co.	4½	104		
Nova Scotia Steel & Coal Co. 1st Mtg.	6			
Do. Do. Cons. Mtg.	6			
Ogilvie Flour Mills Co.	6	120		
Price Bros. Co.	6			
Rio de Janeiro Tramway, L. & P. Co.	5	74½	74¼	83,500
St. John Railway	5			
Sao Paulo Tramway L. & P. Co.	5		94½	
Winnipeg Elect. Street R'y. Co.	5	105½	103½	1,000
Montreal City, Stock	7			
Do. Stock	4			

BANK CLEARINGS.

Bank clearings for the week show tremendous increases over last year, but Good Friday and Easter Monday reduced 1906 to a four-day week. Allowing for the difference in the number of business days the clearings for the week show a gratifying increase at all points:

Bank Clearings Week Ending April 20.

	1907	1906
Montreal	$29,280,005	$20,625,346
Toronto	24,511,591	17,315,052
Winnipeg	10,158,689	7,243,802
Vancouver	3,473,467	1,820,675
Ottawa	3,063,277	2,155,580
Quebec	1,857,144	1,255,752
Hamilton	1,629,988	1,130,128
Halifax	1,599,424	1,260,169
St. John	1,156,032	874,139
London	1,355,651	913,930
Victoria	997,499	350,777
Calgary	1,297,877	

CURB QUOTATIONS.

Week Ending April 19th, 1907.

NAME	Stock Issued.	Acreage.	High	Low	Closing bid	Sales Week Ending April 18th
Abitibi & Cobalt Mining Co.			.24	.24		2,600
Beaver Silver Cobalt Mining Co.	500,000	20	.65	.65		300
Buffalo Mines Co.	900,000	40				
Cobalt Silver Queen	1,500,000	58	1.63	1.40	1.47	3,575
Cleveland Cobalt Silver Mines	1,000,000	114	.88	.87	.86½	500
Coniagas	4,000,000	40	4.50	4.25	4.20	820
Empress Cobalt	500,000	40				
Foster Cobalt Mining Co.	1,000,000	40	1.59	1.23	1.45	18,932
Green-Meehan Mining Co.	1,500,000	40	.76	.72	.75	1,600
Kerr Lake Mining Co.	3,000,000	52				
McKinley-Darragh-Savage Mines	2,000,000	120	1.60	1.60		250
Nova Scotia Silver Cobalt M. Co.	1,800,000		.35	.33	.49	5,000
Peterson Lake	2,500,000	225	.52½	.50		11,000
Red Rock Silver Mining Co.	1,000,000	30				
Rothschild Cobalt Co.	500,000	40				
Silver Leaf Mining Co.	5,000,000	40	.15½	.14	.13½	4,800
Stanley Smelters	500,000		1.10	1.10	1.05	200
Temiscaming Mining Co.	2,500,000	210				
Trethewey	1,000,000	40	1.30	1.22	1.31	4,500
University Mines	1,000,000	56	10.00	10.00		20

UNLISTED SECURITIES.

NAME	Stock Issued	Bonds and Pref. Stocks	High	Low	Closing bid	Sales Week Ending April 18th
Brit. Col. Packers' Ass'n. Com.	1,511,400	$1,270,000				
Canadian Gold Fields						
Consolidated Mining & Smelting	4,698,886					
Consolidated Rubber Bonds	2,141,300	822,200 2,600,000b	89¾	89¼	88	$13,000
Canada Cycle & Motor Co.	800,000					
Dominion Iron & Steel, 2nd Mtg.	20,000,000	2,178,000				
Dominion Park Bonds	400,000	250,000				
Havana Central Bonds	6,250,000	6,250,000	72	72	72¾	$4,000
Illinois Traction Com.	5,810,000	3,214,300			36	
Mexico Tramways	6,000,000					
Quebec Railway, L. & P. Co.	2,500,000	2,500,000b				
Rogers, Wm. A., Com.	750,000	900,999				
Rogers, Wm. A., Pref.	900,000					
Shawinigan L. & P.	6,500,000	4,000,000b			38	
Tri-City Railway & Light Co., Com.	9,000,000	2,600,000				
Union Bank of Halifax						
Western Bank of Canada	555,000					
Yukon Loan & Trust Co., Com.					115	

b Bonds